

GENERAL AGREEMENT ON
TARIFFS AND TRADE

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Notification under Article 2

Attached are notifications, in connexion with Article 2 of the Arrangement Regarding International Trade in Cotton Textiles, transmitted to the secretariat by the Governments of Australia, Austria, Canada, Denmark, Finland, Norway, Sweden and by the Commission of the European Economic Community in response to GATT/AIR/828 dated 7 October 1970.

AUSTRALIA

Quota or Import Restrictions (Article 2)

Australia does not maintain any quota or import restrictions under Article 2.

AUSTRIA

Quota or Import Restrictions Referred to in Article 2

(i) Quotas effective as of 1 October 1970

Negotiations entered into with Mexico in May 1970 with a view to determining the conditions for continued application of the Arrangement Regarding International Trade in Cotton Textiles have not yet been concluded.

(ii) Changes in restrictions and quotas which took place during the eighth year of the Arrangement (1 October 1969 to 30 September 1970) as compared with the seventh year

Exporting country	Category	Twelve-month period beginning	
		1.10.68	1.10.69
Japan	Cotton yarn (ex Chapter 55)	88 tons	96 tons
	Grey cotton fabrics (ex Chapter 55)	223 tons	247 tons
	Finished cotton fabrics in the piece (ex Chapters 55, 58, 59)	72 tons	78 tons
	Knitted goods of cotton (ex Chapter 60)	US\$54,600	US\$59,700
	Clothing and other made-up articles of cotton (ex Chapters 58, 59, 61, 62)	US\$77,000	US\$82,500
Mexico	Cotton fabrics	11 tons	12 tons
Rep. of Korea ¹	Cotton textiles (Chapters 55, 58, 59, 60)	27 tons	30.5 tons
	Made-up cotton textiles (Chapters 61, 62)	US\$12,000	US\$13,500

¹A bilateral agreement under Article 4 has been concluded between Austria and the Republic of Korea for a period of three years beginning 1 October 1970 (see COT/164).

(iii) Changes in restrictions and quotas envisaged during the ninth year of the Arrangement

See sub-item (i) above.

CANADA

Quota or Import Restrictions Referred to in Article 2

Canada maintains no restrictions under Article 2.

DENMARK

Imports of cotton textiles under BTN 60.05 from Japan and the Republic of Korea are subject to import licensing. A quota of DKr 1.15 million has been established with regard to the Republic of Korea while imports from Japan are subject to liberal licensing without any quota limitations. A considerable relaxation of the licensing requirement has thus taken place with regard to these two countries, since all imports of cotton textiles therefrom were subject to licensing before 1 January 1970.

Imports of cotton textiles from the Republic of China are still subject to licensing.

FINLAND

The global quotas and other import restrictions concerning cotton textiles and maintained for balance-of-payments reasons have been abolished on 1 January 1968.

Finland does not apply any quota restrictions under Article 2 of the Arrangement Regarding International Trade in Cotton Textiles. In addition, it should be noted that imports from Poland take place according to bilateral import treatment and that imports of certain textiles from the Republic of Korea are subject to individual licensing.

NORWAYQuota or Import Restrictions Referred to in Article 21. Restrictions and quotas effective as of 1 October 1970

<u>Import quotas</u>	US\$1,000
(a) <u>Japan</u> (1 October 1970-30 September 1971)	
Yarn, woven fabrics and other articles, n.e.s.	1,207
Garments (including knitted and crocheted goods)	127
(b) <u>South Korea</u> (1 October 1970-30 September 1971)	
Yarn, woven fabrics and other articles, n.e.s.	115

2. Changes in restrictions and quotas which took place during the eighth year of the Arrangement (i.e. 1 October 1969 to 30 September 1970)

The quota for imports from Japan has been increased by approximately 3 per cent according to the provisions in Article 2 of the Arrangement Regarding International Trade in Cotton Textiles.

The quota for imports from South Korea has been increased from US\$103,000 for 1969 to US\$115,000 for 1970.

3. Changes in restrictions and quotas envisaged during the ninth year of the Arrangement

Changes in restrictions for imports from Japan and South Korea are agreed upon in the annual trade negotiations. Negotiations with Japan will take place in November/December 1970.

As concerns the future policy on import restrictions on cotton textiles, Norway will fulfil its obligations under the Arrangement Regarding International Trade in Cotton Textiles.

SWEDENQuotas or Import Restrictions Referred to in Article 21. Restrictions and quotas effective as of 1 October 1970

Sweden maintains import restrictions towards Japan - as it has not yet accepted the Protocol extending the Arrangement Regarding International Trade in Cotton Textiles. A quota of SKr 3.5 million (US\$0.7 million) for restricted cotton textiles imports from Japan is at present maintained. The following BTN numbers are concerned:

(i) Cotton fabrics

ex 30.04, ex 55.08, ex 55.09.

(ii) Other cotton textiles

55.06, ex 58.04, ex 58.05-06, ex 59.05, ex 58.08, ex 59.03-04, ex 59.07-09,
ex 59.11-17, ex 60.01-06, ex 61.01-04, ex 61.10, ex 62.01-02, ex 62.05,
ex 65.05.

2. Changes in restrictions and quotas which took place during the eighth year of the Arrangement

No change has taken place.

3. Changes in restrictions and quotas envisaged during the ninth year of the Arrangement

No indication of the future policy on import restrictions on cotton textiles can be given apart from that Sweden intends to fulfil its obligations under the Arrangement Regarding International Trade in Cotton Textiles.

UNITED STATES

Quota or Import Restrictions Referred to in Article 2

The United States informed the secretariat that it maintains no quotas or import restrictions falling within the purview of Article 2 of the Arrangement Regarding International Trade in Cotton Textiles.

EUROPEAN ECONOMIC COMMUNITY

The Commission of the European Economic Community has, on behalf of the member States of the Community, communicated the following quotas for cotton textile products opened to exporting countries by member States in the years 1969 and 1970:

(tons)

Exporting countries	Year	France	Germany
Hong Kong	1969	400	-
	1970	450	-
Republic of China	1969	-	132
	1970	-	150
United Arab Republic	1969	185	160
	1970	210	180
Republic of Korea	1969	90	377
	1970	100	400

The following information has been transmitted by Italy concerning restrictions and quotas effective as of 1 October 1970:

Imports into Italy of cotton articles from participating countries are not subject to any restriction, with the exception of those from Poland.

The Trade Protocol in force between the latter country and Italy provides for a system of "controlled customs" quotas for the following products:

Cotton fabrics, 250 tons

Knitted goods, clothing, underwear for men, women and young children
(Lit 400,000,000)

Bed, table, toilet and kitchen linen (Lit 330,000,000)

As regards the changes in restrictions and quotas envisaged during the ninth year of the Arrangement, the Commission notified that:

"On the renewal of the Arrangement Regarding International Trade in Cotton Textiles the European Economic Community, which from now on is a party to that Arrangement, offered to its principal suppliers the conclusion of mutually acceptable arrangements on the basis of Article 4.

"Negotiations have been conducted with the following countries: India, Pakistan, Japan, Hong Kong, Taiwan, United Arab Republic and Republic of Korea.

"As soon as these arrangements come into force, the quotas fixed under Article 2 will be suspended."