

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

CONTRACTING PARTIES
Twenty-Second Session

ARTICLE XVIII - ANNUAL REVIEW UNDER PARAGRAPH 6

Background Document

1. At their twenty-second session the CONTRACTING PARTIES are to carry out the annual review under paragraph 6 of Article XVIII on the operation of releases granted under Sections C and D of that Article. At present only Ceylon applies measures under these provisions; this paper is based on information supplied by the Government of Ceylon.
2. By their Decision of 9 March 1964 the CONTRACTING PARTIES extended, in respect of the items specified in Section 3 of their Decision of 20 November 1958, as amended by Section 3 of the Decision of 20 November 1959 and by the Decision of 23 September 1960, the period of validity of these Decisions until 27 August 1968. These Decisions granted a release under Section C of Article XVIII with respect to sarongs, sarees and cotton piece goods under the control of the Industrial Products Act. The items concerned are listed in Annex I.
3. Imports of the tariff items subject to regulation under the Industrial Products Act amounted to 161 million yards for the first eleven months in 1964 as compared with 77 million yards in 1963. Domestic production of textiles was approximately 34 million yards provisional in 1964 as compared with approximately 32 million yards in 1963. Further details on trade and production figures for items covered by the release are given in Annex II.
4. The present standard ratio is one local to eight imported. No change in this ratio is expected. There is, however, no prospect of relaxing control under the Industrial Products Act in the immediate future until the local product becomes firmly established in the market. The industry is presently undergoing conversion in the method of production of handloom sarongs from the use of twisted yarn to single yarn under the extension of release granted to Ceylon by the Decision of 9 March 1964. During this period it is hoped to bring down the cost of production and improve the quality of the product. It is expected that protection under the Industrial Products Act will no longer be necessary at the end of this period.

ANNEX IList of Releases Granted under Section C
of Article XVIII (Revised)

Description	Tariff Number	Release granted by Decision of: (subject to the terms & conditions set out in ...)	Expiration date of the Release	Release operative
(i) <u>Textile manufactures</u>				
Bed linen	ex 656-04.99	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of artificial silk and synthetic fibre - sarongs	841-05.04	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of artificial silk and synthetic fibre - sarees	841-05.03	20.11.59 (BISD Eighth Suppl. p. 22)	27.8.68	Yes
Manufactures of cotton sarongs - mill-made	845-05.14	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of cotton sarongs - handloom	841-05.15	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of mixed materials, sarongs mill-made	841-05.22	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of mixed material, sarongs - handloom ¹	841-05.23	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of cotton camboys, mill-made	841-05.10	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes

¹For particulars see text of the Release.

Description	Tariff Number	Release granted by Decision of: (subject to the terms & conditions set out in ...)	Expiration date of the Release	Release operative
Manufactures of cotton camboys - handloom	841-05.11	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of cotton sarees, mill-made	841-05.12	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of cotton sarees, handloom	841-05.13	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of mixed materials, sarees, mill-made ¹	841-05.20	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Manufactures of mixed materials, sarees, handloom	841-05.21	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes

(ii) Products falling within the following tariff description (in so far as they can be cut into sarees or sarongs or correspond to the following items: grey cloth, drill, shawls poplin, long cloth, dothies, sheeting, casement, shirting, tussore, ticking and gingham).

Cotton piece-goods (bleached)	ex 656-02.01	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Cotton piece-goods (dyed)	ex 652-02.02	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Cotton piece-goods (colour woven)	ex 652-02.03	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes
Cotton piece-goods (printed)	ex 652-02.04	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes

¹ For particulars see text of the Release.

Description	Tariff Number	Release granted by Decision of: (subject to the terms & conditions set out in ...)	Expiration date of the Release	Release operative
Cotton piece-goods (others)	ex 652-02.99	22.11.58 (BISD Seventh Suppl. pp. 26 and 27)	27.8.68	Yes

(iii) Products of the following three grades of material: satin, hair cord, crêpe, (georgette crêpe; oriental crêpe, sheer crêpe, flat crêpe, pearl crêpe, beauty crêpe, crêpe de Chine) in so far as they can be cut into sarongs or sarees, falling within the following tariff description (BISD Ninth Suppl. pp. 23 and 24):

Piece-goods of cotton mixed with less than 50 per cent of other materials	652-02.05	22.11.58 (BISD Seventh Suppl. P. 27 (as amended)); (BISD Ninth Suppl. pp. 23 and 24)	27.8.68	Yes
Piece-goods of artificial silk and synthetic fibre including any admixtures where the artificial silk content is not less than 50 per cent in weight n.e.s.	ex 653-05	22.11.58 (BISD Seventh Suppl. p. 27 (as amended)); (BISD Ninth Suppl. pp. 23 and 24)	27.8.68	Yes

ANNEX II/ANNEXE II

IMPORT OF TEXTILES 1955-1964/
IMPORTATION DE MATIERES TEXTILES 1955-1964

PIECE-GOODS/TISSUS

(million yards/en millions de yards)

SITC 652.02 and 653.05/
CTCI 652.02 et 653.05

YEAR/ ANNEE	COTTON PIECE-GOODS - 652.02/TISSUS DE COTON DU N° 652.02							FABRICS OF SYNTHETICS FIBRE AND SPUN GLASS: / TISSUS DE FIBRES SYN- THETIQUES ET DE VERRE FILE: 653.05	TOTAL 652.02 AND 653.05/ TOTAL DES NUMEROS 652.02 ET 653.05
	Bleached/ blanchis	Dyed/ teints	Colour woven/ tissés en couleurs	Printed/ imprimés	Other/ autres	Total	With less than 50% of other material/ contenant moins de 50% d autres matières		
	.01	.02	.03	.04	.99		.05	652.02	
1955	19.2	18.1	3.1	25.4	.6	66.4	2.0	68.4	40.2
1956	21.9	19.8	4.5	36.3	.7	83.4	.6	83.9	42.3
1957	21.4	17.3	3.4	31.4	.6	74.1	.3	74.4	41.6
1958	23.7	17.1	2.9	44.2	.5	88.5	.2	88.6	60.0
1959	19.9	16.3	2.7	30.7	.9	70.5	.1	70.6	53.9
1960	17.0	20.3	3.5	34.2	.8	75.8	.2	76.0	48.1
1961	20.1	23.6	4.1	40.5	1.2	89.5	.1	89.6	26.0
1962	19.4	19.6	4.2	44.6	.3	88.1	.1	88.2	29.2
1963	18.9	17.5	3.4	19.4	1.7	60.9	.1	61.0	10.4
1964 (Up to 30.11.64/ jusqu'au 30.11.64)	50.7	19.1	3.8	59.8	2.2	135.6	:	135.6	16.4

: negligible/quantité négligeable.

ANNEX II (cont'd)/ANNEXE II (suite)
SAREES, CAMBOYS, SARONGS/SARIS, CAMBOYS, SARONGS
(million yards/en millions de yards)

SITC 841.05/CTCI 841.05

YEAR/ ANNEE	SAREES/SARIS				CAMBOYS		SARONGS				TOTAL						
	.03	.12	.13	.20	.21	.10	.11	Total camboys	.04	.14		.15	.22	.23	Total 841.05		
1955	.4	.7	2.2	.06	1.3	4.7	-	2.4	2.4	.3	.04	.14	.15	.22	.23	10.0	17.1
1956	.6	.9	3.0	.001	2.1	6.6	:	3.2	3.2	.9	.008	8.0	:	.07		9.0	18.8
1957	.7	.6	2.9	.001	2.4	6.6	-	3.0	3.0	1.1	.006	4.8	-	-		5.9	15.5
1958	1.0	.5	2.3	.006	1.2	5.0	-	2.2	2.2	1.5	.2	4.3	.02	.04		6.1	13.3
1959	1.2	.7	2.7	.03	1.3	6.0	.1	1.4	1.5	.01	.02	6.7	-	-		6.73	14.16
1960	3.1	1.9	2.5	.005	1.9	9.4	.5	.9	1.4	.04	-	5.1	-	-		5.14	15.94
1961	5.6	4.0	1.6	-	1.4	12.6	.3	.5	.8	.3	.3	2.3	-	-		2.9	16.3
1962	5.2	1.8	.7	-	.5	8.2	.06	.3	.4	-	-	1.2	-	-		1.2	9.8
1963	1.8	2.2	.2	-	.06	4.3	-	.3	.3	.02	-	1.3	-	-		1.32	5.92
1964 (Up to 30.11.64/ Jusqu'au 30.11.64)	4.5	3.9	.2	.2	.04	8.8	-	.05	.03	-	-	.3	-	-		.3	9.13

: Negligible/quantité négligeable.

ANNEX II (cont'd)/ANNEXE II (suite)

SUMMARY/RECAPITULATION

YEAR/ ANNEE	Million yards/ millions de yards	Million yards/ millions de yards	Million yards/ millions de yards	Million yards/ millions de yards	Million yards/ millions de yards	Million yards/ millions de yards
	Piece-goods/ Tissus des Nos. 652.02 653.05	Sarees/Saris des Nos. 841.05, 841.07, 841.12, 841.13, 841.20, 841.21	Camboys/Camboys des Nos. 841.05	Sarongs/Sarongs des Nos. 841-05.04, 841-05.14 841-05.15, 841-05.22 841-05.23	Total Piece-goods, Sarees, Camboys, Sarongs/Total tissus saris, camboys, sarongs, des Nos. 841.05, 652.02, 653.05	Bed Linen, Table Linen Toilet Linen, and Kitchen Linen other/ Draps de lit, linge de table, linge de toilette, linge de cuisine autre, des Nos. 656-04.99
1955	108.6	4.7	2.4	10.0	125.7	.231
1956	126.2	6.6	3.2	9.0	145.0	.06
1957	115.9	6.6	3.0	5.9	131.4	.11
1958	148.7	5.0	2.2	6.1	162.0	.1
1959	124.5	6.0	1.5	6.73	138.66	.15
1960	124.1	9.4	1.4	5.14	140.04	.15
1961	115.6	12.6	.8	2.9	131.9	.09
1962	117.4	8.2	.4	1.2	127.2	.02
1963	71.4	4.3	.3	1.32	77.32	.01
1964	152.0	8.8	.03	.3	161.13	..
(Up to 30.11.64/ Jusqu'au 30.11.64)						