

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Special Distribution

WORKING PARTY ON TEXTILES AND CLOTHING

Note by the Secretariat

At its meeting on 17-18 September 1984, the Working Party asked the secretariat to put together a technical note indicating the information available with respect to tariff and non-tariff measures affecting trade in textiles and clothing.

This Note has been prepared in response to that request.

1. Tariffs, including GSP for textiles and clothing

Tariffs and GSP rates for textiles and clothing are available, for most countries, in the secretariat.

2. Tariff quotas

Information on tariff quotas is available as part of the information on tariffs. The GATT study "Textiles and Clothing in the World Economy" also contains a section dealing with the operation of the tariff quota system in Australia.

3. Quantitative restrictions and related measures

A. Notification under the MFA

(i) Restrictions maintained under the MFA.

(ii) Restrictions justified under GATT Article XVIII with respect to contracting parties, members of the MFA (balance-of-payments or infant industry). For some countries, fuller information is given in notifications to the Committee on Balance-of-Payments Restrictions or under Paragraph 3 of the Understanding relating to Notification, Consultation, Dispute Settlement and Surveillance (BOP/ or L/ document).

(iii) Restrictions by MFA members which are not contracting parties.

(iv) Other restrictions maintained by MFA participants outside the MFA (MFA Article 11 notifications).

- (v) Information received from new MFA members since the GATT Study (China and Norway).
- (vi) A summary of the above information, except information about Norway in (v) above, is contained in COM.TEX/SB/984 and Add.1, to be issued shortly.

B. Restrictions notified to the Working Group on Quantitative Restrictions and other Non-Tariff Measures

The main information base on quantitative restrictions drawn up by the Group on Quantitative Restrictions and Other Non-Tariff Measures is contained in NTM/W/6/Rev.2. This comprises notifications made by contracting parties of measures that they themselves apply. It relates to all products. It lists bilateral agreements concluded in the context of the MFA together with their document references but does not reproduce details of QRs maintained under these agreements. Restrictions affecting textiles and clothing outside the scope of the MFA are, in principle, listed in detail in the tables (e.g. New Zealand, Sweden, and the developing countries).

This data base is complemented by Part IV of the Inventory of Non-Tariff Measures (Industrial Products, NTM/INV/I-V and Addenda) and comprises notifications made by exporting countries affected by the measures concerned. It relates to industrial products, including textiles and clothing. The inventory does not cover all non-tariff measures but is rather a listing of problems which the notifying governments have chosen to raise in the GATT.

C. Balance-of-payments restrictions

Details on information concerning restrictions maintained by non-MFA countries under the balance-of-payments provisions of GATT is to be found in the documentation of the Working Group on QRs and other NTMs.

D. Article XIX, grey-area measures and other measures which appear to serve the same purpose

Measures notified under Article XIX, Voluntary Export Restraints and Orderly Marketing Arrangements, and some other import measures of a safeguard nature, are listed in document Spec(82)18/Rev.3. This document, which does not include measures such as industry-to-industry arrangements, was drawn up by the secretariat in consultation with delegations. It contains a few measures relating to textiles and clothing.

4. Subsidies and countervailing measures

In accordance with the Decision of the CONTRACTING PARTIES at the twentieth session, contracting parties should submit every third year, new

and full responses to the questionnaires on subsidies, and bring these notifications up to date in intervening years. The latest consolidation of notifications on subsidies is contained in document L/5496.

For a number of reasons, the information available on subsidies is generally incomplete and lacking in detail. The question of securing more adequate notifications in this area has been under discussion.

A summary of countervailing duty actions initiated by countries which are members of the Subsidies and Countervailing Measures Code is found in the latest report by that Committee (L/5496).

5. Anti-dumping practices

A summary of Anti-Dumping Actions initiated by countries which are members of the Anti-Dumping Code is contained in the Report of the Committee on Anti-Dumping Practices in May 1983 (L/5486). There is no equivalent information with respect to other contracting parties.

6. State trading

There are notification procedures both in the context of Article XVII and the Working Group on Quantitative Restrictions and other Non-Tariff Measures. Very few of the notifications made under these procedures relate to textiles and clothing through State trading.

Review of developments in the trading system

In the context of the special sessions of the GATT Council, held twice yearly to review developments in the trading system, the secretariat prepares a basic document which notes systematically all trade measures, notified or otherwise, which have come to the attention of the secretariat during the relevant six-month period. The document includes information on measures affecting trade in textiles and clothing, drawn to a great extent but not exclusively from the sources listed above. The most recent such document is C/W/437/Rev.1.