

products and to provide scope for a greater share for them in world trade in these products.

4. Actions taken under this Arrangement shall not interrupt or discourage the autonomous industrial adjustment processes of participating countries. Furthermore, actions taken under this Arrangement should be accompanied by the pursuit of appropriate economic and social policies, in a manner consistent with national laws and systems, required by changes in the pattern of trade in textiles and in the comparative advantage of participating countries, which policies would encourage businesses which are less competitive internationally to move progressively into more viable lines of production or into other sectors of the economy and provide increased access to their markets for textile products from developing countries.

5. The application of safeguard measures under this Arrangement, subject to recognized conditions and criteria and under the surveillance of an international body set up for that purpose, and in conformity with the principles and objectives of this Arrangement, may in exceptional circumstances become necessary in the field of trade in textile products, and should assist any process of adjustment which would be required by the changes in the pattern of world trade in textile products. The parties to this Arrangement undertake not to apply such measures except in accordance with the provisions of this Arrangement with full regard to the impact of such measures on other parties.

6. The provisions of this Arrangement shall not affect the rights and obligations of the participating countries under the GATT.

7. The participating countries recognize that, since measures taken under this Arrangement are intended to deal with the special problems of textile products, such measures should be considered as exceptional, and not lending themselves to application in other fields.

## *Article 2*

1. All existing unilateral quantitative restrictions, bilateral agreements and any other quantitative measures in force which have a restrictive effect shall be notified in detail by the restraining participating country, upon acceptance of or accession to this Arrangement, to the Textiles Surveillance Body, which shall circulate the notifications to the other participating countries for their information. Measures or agreements which are not notified by a participating country within sixty days of its acceptance of, or accession to, this Arrangement shall be considered to be contrary to this Arrangement and shall be terminated forthwith.