

24.(i) The Committee acknowledged the concern of some importing countries regarding substantially increased imports of textiles made of vegetable fibres, blends of vegetable fibres with fibres specified in Article 12, and blends containing silk, which are directly competitive with textiles made of fibres specified in Article 12. Accordingly, the Committee agreed that the provisions of Articles 3 and 4 may be invoked with respect to directly competitive imports of such textiles, in which any or all of those fibres in combination represent either the chief value of the fibres or 50 per cent or more by weight of the products, which cause market disruption or a real risk thereof, bearing in mind also the provisions of Article 8, paragraph 3 of the Arrangement.

(ii) In examining the case for market disruption, the Textiles Surveillance Body is instructed to pay particular attention to the evidence demonstrating that these products are directly competitive with products of cotton, wool and man-made fibres manufactured in the importing country concerned.

(iii) It is understood that restraints will not be applied to historically traded textiles which were internationally traded in commercially significant quantities prior to 1982, such as bags, sacks, carpetbacking, cordage, luggage, mats, mattings and carpets typically made from fibres such as jute, coir, sisal, abaca, maguey and henequen.

25. In the context of the phasing out of restraints under the Arrangement, priority attention would be given to sectors of trade, e.g. wool tops, and suppliers for which the Arrangement provides for special and more favourable treatment as referred to in Article 6.

26. It was felt that in order to ensure the proper functioning of the MFA, all participants should refrain from taking measures on textiles covered by the MFA, outside the provisions therein, before exhausting all the relief measures provided in the MFA.

27. Participants noted the concern expressed by a number of participants with respect to the problem of infringement of registered trademarks and designs in trade in textiles and clothing and noted that such problems could be dealt with in accordance with the relevant national laws and regulations.

28. Having regard to the stated objectives set out in paragraph 2 above, and on the basis of the elements mentioned in the preceding paragraphs, which supersede in their totality those adopted on 22 December 1981, the Textiles Committee considered that the Arrangement should be extended for a period of five years, subject to confirmation by signature as from 31 July 1986 of a Protocol for this purpose.