

are, or that may shortly become, new entrants in the field of textile exports to increase their exchange earnings from the sale in world markets of products which they can efficiently produce;

*Recognizing* that future harmonious development of trade in textiles particularly having regard to the needs of developing countries, also depends importantly upon matters outside the scope of this Arrangement, and that such factors in this respect include progress leading both to the reduction of tariffs and to the maintenance and improvement of schemes of generalized preferences, in accordance with the Tokyo Declaration;

*Determined* to have full regard to the principles and objectives of the General Agreement on Tariffs and Trade (hereinafter referred to as the GATT) and, in carrying out the aims of this Arrangement, effectively to implement the principles and objectives agreed upon in the Tokyo Declaration of Ministers dated 14 September 1973 concerning the Multilateral Trade Negotiations;

THE PARTIES TO THIS ARRANGEMENT have agreed as follows:

*Article 1*

1. It may be desirable during the next few years for special practical measures of international co-operation to be applied by the participating countries<sup>1</sup> in the field of textiles with the aim of eliminating the difficulties that exist in this field.

2. The basic objectives shall be to achieve the expansion of trade, the reduction of barriers to such trade and the progressive liberalization of world trade in textile products, while at the same time ensuring the orderly and equitable development of this trade and avoidance of disruptive effects in individual markets and on individual lines of production in both importing and exporting countries. In the case of those countries having small markets, an exceptionally high level of imports and a correspondingly low level of domestic production, account should be taken of the avoidance of damage to those countries' minimum viable production of textiles.

3. A principal aim in the implementation of this Arrangement shall be to further the economic and social development of developing countries and secure a substantial increase in their export earnings from textile

<sup>1</sup> The expressions "participating country", "participating exporting country" and "participating importing country", wherever they appear in this Arrangement, shall be deemed to include the European Economic Community.