

19. In pursuance of the objective of trade liberalization embodied in the Arrangement, the Committee re-affirmed the need to monitor adjustment policies and measures and the process of autonomous adjustment in terms of the provisions of Article 1, paragraph 4. To this end, the Committee decided that the Sub-Committee on Adjustment should continue to make a periodic review of developments in autonomous adjustment processes and in policies and measures to facilitate adjustment, as well as in production and trade in textiles, on the basis of material and information to be provided by participating countries as well as additional material and information obtained by the Secretariat from other sources, and with the help of any supporting analysis by the Secretariat. Attention was drawn to the impact of technological developments on comparative advantage and competitiveness in textile trade. Participating countries were urged to provide the Sub-Committee on Adjustment with all relevant and up-to-date information relating, inter alia, to production and trade, necessary for the Sub-Committee to discharge its function and to report periodically to the Textiles Committee to enable that Committee to fulfil its obligations under Article 10, paragraph 2.

20. The participants re-affirmed the importance of the effective functioning of the Textiles Committee, the Sub-Committee on Adjustment and the Textiles Surveillance Body, in their respective areas of competence. In this context, the participants emphasized the importance of the responsibilities of the Textiles Surveillance Body as set forth in Article 11 of the MFA.

21. The participants also re-affirmed that the rôle of the Textiles Surveillance Body is to exercise its functions as set out in Article 11 so as to help ensure the effective and equitable operation of the Arrangement and to further its objectives. In this respect, the Committee recognized the need for close co-operation among participants for the effective discharge of the Textiles Surveillance Body's responsibilities.

22. Participants agreed that in considering problems arising from the application of bilateral agreements or measures taken under the Arrangement and with a view to discharging its function with respect to the review of such action, the Textiles Surveillance Body may address problems of interpretation of the relevant provisions of the Arrangement.

23. Taking into account the important rôle of the Textiles Surveillance Body and in view of the increased membership of the Arrangement, the participants agreed to examine the possibility of an increase in the number of members of the Textiles Surveillance Body.