

6. The provisions of this Arrangement shall not affect the rights and obligations of the participating countries under the GATT.⁽¹⁾

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 six days of its acceptance of, or accession to, this Arrangement shall be considered to be contrary to this Arrangement and shall be terminated forthwith.

2. Unless they are justified under the provisions of the GATT (including its Annexes and Protocols), all unilateral quantitative restrictions and any other quantitative measures which have a restrictive effect and which are notified in accordance with paragraph 1 above shall be terminated within one year of the entry into force of this Arrangement, unless they are the subject of one of the following procedures to bring them into conformity with the provisions of this Arrangement:

(i) inclusion in a programme, which should be adopted and notified to the Textiles Surveillance Body within one year from the date of coming into force of this Arrangement, designed to eliminate existing restrictions in stages within a maximum period of three years from the entry into force of this Arrangement and taking account of any bilateral agreement either concluded or in course of being negotiated as provided for in (ii) below; it being understood that a major effort will be made in the first year, covering both a substantial elimination of restrictions and a substantial increase in the remaining quotas;

(ii) inclusion, within a period of one year from the entry into force of this Arrangement, in bilateral agreements negotiated, or in course of negotiation, pursuant to the provisions of Article 4; if, for exceptional reasons, any such bilateral agreement is not concluded within the period of one year, this period, following consultations by the participating countries concerned and with the concurrence of the Textiles Surveillance Body, may be extended by not more than one year;

(iii) inclusion in agreements negotiated or measures adopted pursuant to the provisions of Article 3.

3. Unless justified under the provisions of the GATT (including its Annexes and Protocols), all existing bilateral agreements notified in accordance with paragraph 1 of this Article shall, within one year of the entry into force of this Arrangement, either be terminated or justified under the provisions of this Arrangement or modified to conform therewith.

⁽¹⁾ Treaty Series 1948 No. 31.