

CONCLUSIONS OF THE TEXTILES COMMITTEE ADOPTED ON 31 JULY 1986

1. The participants in the Arrangement exchanged views regarding the future of the Arrangement.
2. Participants emphasized that the basic objectives of the MFA are to achieve the expansion of trade, particularly for the developing countries, 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.
3. They stressed the importance of promoting liberalization of trade in textiles and clothing. In this connexion, they recognized the need for co-operative efforts by all participants. They agreed that the final objective is the application of GATT rules to trade in textiles.
4. It was reiterated that a principal aim in the implementation of the Arrangement is to further the economic and social development of developing countries and to secure a substantial increase in their export earnings from textile products and to provide scope for a greater share for them in world trade in these products. Participants undertook to contribute to this through improvement in bilateral agreements under this Arrangement, which should provide for increased effective access in overall terms.
5. Attention was drawn to the fact that decline in the rate of growth of per capita consumption in textiles and in clothing is an element which may be relevant to the recurrence or exacerbation of a situation of market disruption. Attention was also drawn to the fact that domestic markets may be affected by elements such as technological changes and changes in consumer preference. In this connexion it was recalled that the appropriate factors for the determination of a situation of market disruption as referred to in the Arrangement are listed in Annex A.
6. The importing participants undertook that where, in their view, a case of market disruption or real risk thereof exists in terms of the definition in paragraphs I and II of Annex A, requests for action under Articles 3 or 4 shall be accompanied by available, specific and relevant factual information as up-to-date as possible, particularly in respect of factors set out in Annex A. In respect of requests made under Article 3, the information should be related, as closely as possible, to identifiable segments of production and to the reference period set out in Annex B, paragraph 1(a). They agreed that actions based on the existence of serious damage to domestic producers or actual threat thereof in terms of paragraph I of Annex A cannot be based solely upon the level of imports or growth thereof. Participants agreed that in