

## ANNEX B

1. (a) The level below which imports or exports of textile products may not be restrained under the provisions of Article 3 shall be the level of actual imports or exports of such products during the twelve-month period terminating two months or, where data are not available, three months preceding the month in which the request for consultation is made, or, where applicable, the date of institution of such domestic procedure relating to market disruption in textiles as may be required by national legislation, or two months or, where data are not available, three months prior to the month in which the request for consultation is made as a result of such domestic procedure, whichever period is the later.
- (b) Where a restraint on the yearly level of exports or imports exists between participating countries concerned, whether provided for under Article 2, 3 or 4, covering the twelve-month period referred to in paragraph (a), the level below which imports of textile products causing market disruption may not be restrained under the provisions of Article 3 shall be the level provided for in the restraint in lieu of the level of actual imports or exports during the twelve-month period referred to in paragraph (a).

Where the twelve-month period referred to in paragraph (a) overlaps in part with the period covered by the restraint, the level shall be:

- (i) the level provided for in the restraint, or the level of actual imports or exports, whichever is higher, except in case of over-shipment, for the months where the period covered by the restraint and the twelve-month period referred to in paragraph (a) overlap; and
  - (ii) the level of actual imports or exports for the months where no overlap occurs.
- (c) If the period referred to in paragraph (a) is specially adverse for a particular exporting country due to abnormal circumstances, the past performance of imports from that country over a period of years should be taken into account.
  - (d) Where imports or exports of textile products subject to restraints were nil or negligible during the twelve-month period referred to in paragraph (a): a reasonable import level to take account of future possibilities of the exporting country shall be established through consultation between the participating countries concerned.
2. Should the restraint measures remain in force for another twelve-month period, the level for that period shall not be lower than the level specified for the preceding twelve-month period, increased by not less than 6 per cent for products under restraint. In exceptional cases where there are clear grounds for holding that the situation of market disruption will recur if the above growth rate is implemented, a lower positive growth rate may be decided upon after consultation with the exporting country or countries concerned. In exceptional cases where participating importing countries have small mar-