

**WORLD TRADE
ORGANIZATION**

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Council for Trade in Goods

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Issues Related to the Agreement on Textiles and Clothing

The following communication, dated 17 July 1996, has been received from the United States.

Issues related to the Agreement on Textiles and Clothing

1. **Market Access:**

An important element of the Agreement on Textiles and Clothing is increased market access for textile exports. A trade-off for the progressive liberalization of import restraints by importing countries was the removal of various impediments to textile imports by exporting countries.

- The review exercise should examine the extent to which countries have complied with this obligation. Consideration should be given to requesting Members to supply trade data that could clarify if this commitment is being met.

2. **Circumvention:**

Effective implementation of the Agreement on Textiles and Clothing depends on exporting countries adopting effective measures to prevent circumvention of the Agreement. Transshipment, in particular, is seen as a large and growing problem. Members committed themselves in the Agreement on Textiles and Clothing to establish the necessary mechanisms to deal with this problem.

- The review exercise should examine what measures have been taken to comply with this commitment. Members should commit themselves to closer cooperation in this area and urge the Ministers at Singapore to reaffirm their determination to eradicate circumvention of the Agreement on Textiles and Clothing.