

**WORLD TRADE
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Council for Trade in Goods

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THE INTERNATIONAL TEXTILES AND CLOTHING BUREAU

Communication from its Chairman

The following communication, dated 27 April 1998, has been received from the Chairman of the International Textiles and Clothing Bureau (ITCB).

The 27th session of the Council of Representatives of the International Textiles and Clothing Bureau (ITCB) held in the Maldives from 14-17 April 1998 adopted the attached Communiqué. It is requested that the text of the Communiqué may be circulated as a CTG document for information of the Members of the WTO on behalf of the members of the ITCB that are also Members of the WTO.

Council of Representatives
XXVII Session
Maldives
14-17 April 1998

MALDIVES COMMUNIQUE

The ITCB Council of Representatives expressed its profound gratitude to the Government of Maldives for hosting its 27th Session from 14 to 17 April 1998. The session was inaugurated by H.E. Mr. Abdulla Yameen, Minister of Trade, Industries and Labour of the Maldives. H.E. Mr. Nestor Osorio (Colombia) was elected Chairman, and H.E. Mr. Ahmed Naseem, Director General of Investments (Maldives) and Mr. Timothy Tong (Hong Kong, China) were elected as Vice-Chairmen of the session.

WTO, UNCTAD, ITC representatives, and the Chairman of TMB who was specially invited, made presentations at the session. Presentations were also made by representatives of importers' and retailers' associations in the developed importing countries on issues of common interest and mutual concern. The Council expressed its appreciation for these presentations and acknowledged their contributions.

The Council reviewed developments affecting the conduct of trade in textiles and clothing. It expressed confidence that with faithful implementation of the ATC, the sector shall stand fully integrated into the rules and disciplines of the GATT 1994 by 1 January 2005.

The Council assessed the outcome of the first major review of ATC's implementation by WTO Council for Trade in Goods (CTG). With regard to the emphasis placed by the CTG on regularly overseeing and evaluating further progress in implementation, it noted that analytical contributions by the ITCB had helped to establish important bench-marks for these purposes.

The Council acknowledged that two of the four importing countries which had maintained restrictions under the MFA had now taken positive steps by early elimination of certain restrictions. On the other hand, it reiterated its serious concern that the two largest restraining countries had left the elimination of virtually the entire set of restrictions towards the end of ATC's transition period. It called upon them to take immediate steps to liberalize trade in the sector. It underscored the importance for importing countries to allow for continuous autonomous industrial adjustment and increased competition in their markets in order to facilitate the integration of the textiles and clothing sector into GATT 1994.

The Council noted the recent deceleration in the invocation of transitional safeguard actions. It expected that future actions, if any, shall abide by the disciplines of the ATC and the guidelines established by panel decisions.

The Council regretted the failure of certain restraining countries to provide meaningful increases in market access for small suppliers and least-developed countries as stipulated under Article 1:2 of the ATC and called upon them and the TMB to ensure full compliance with their obligations under the ATC. The Council urged all developed countries to adopt all measures in order to use their

preferential schemes to facilitate the growth of exports of textile and clothing products by least-developed countries and not to impede it in any way.

The Council reviewed developments relating to the harmonized work programme under the Agreement on Rules of Origin and was determined to ensure that its outcome does not undermine or impede access to markets. It expressed grave concern over the arbitrary use of repetitive anti-dumping actions by one major developed importing country against ITCB members' exports, especially on products already under severe quota restraints. It noted with apprehension the imposition of visa requirements by another major developed importing country for integrated products in the absence of any justification under WTO provisions and called for its immediate review by the TMB.

The Council reiterated the importance of continuous supervision of the implementation of the ATC. It emphasized that the TMB has the responsibility to examine the conformity of all measures taken under the Agreement with its provisions and to ensure that the rights of exporting countries are not impaired, especially when protectionist measures do not meet the criteria of the ATC. The TMB should provide full justification for its conclusions.

The Council reaffirmed its resolve to resist all forms of protectionism, so as to ensure the enforcement of its members' rights.
