

WORLD TRADE ORGANIZATION

G/C/W/489
20 April 2004

(04-1763)

Council for Trade in Goods

Original: English

INTERNATIONAL TEXTILES AND CLOTHING BUREAU

New Delhi Communiqué

The following communication, dated 16 April 2004, is being circulated at the request of the Delegation of India, on behalf of the members of the ITCB that are also Members or Observers of the WTO.

INTERNATIONAL TEXTILES AND CLOTHING BUREAU
Council of Representatives
39th Session
New Delhi, India
5-8 April 2004

New Delhi Communiqué

Meeting on the eve of the momentous occasion when, in eight months' time, textile and clothing trade will have been integrated into the same mainstream of multilateral rules and disciplines as any other sector, the ITCB Council of Representatives noted with satisfaction that the 40-year long saga of restrictions on their exports will come to an end.

It noted that Canada, European Union and the United States have since notified the WTO confirming that, on 1 January 2005, they will eliminate all remaining quota restrictions; furthermore, that the Textiles Monitoring Body had, in turn, recalled that all administrative procedures and measures maintained for the implementation of these restrictions shall likewise stand terminated.

The Council, however, lamented the fact that in contravention of its obligations under the ATC, the European Union had announced the introduction of new quota restrictions in the markets of 10 more countries joining the Union from 1 May 2004, and had determined the levels of these quota limits unilaterally. It recalled that barely eight months are left before the complete elimination of all quota restrictions and, in a similar case in 1999, a dispute Panel and the Appellate Body had rejected the legality of such extension of quotas.

It also expressed disappointment that the restraining countries were continuing to deny the use of carry forward quotas for 2004, thus effectively reducing access in the last year of the ATC. It called on those countries to review their position, so as to avoid disruption of long-standing trade flows.

The Council resolved to exercise necessary vigilance during the remainder of the ATC period to ensure that all requirements under the Agreement are fully complied with. In this regard, the Council resolved to pursue the remaining matters for full and faithful implementation of the ATC

./.

through all available channels, including the processes of WTO's Textiles Monitoring Body and the Council for Trade in Goods in the context of the upcoming last major review of the Agreement.

It expressed strong expectation that the restraining countries reject protectionist pressures, fulfil their contractual obligations, and thereby also help strengthen confidence in the multilateral trading system.

The Council expressed the hope that the restraining countries consider the removal of other quotas applied to developing countries acceding to the WTO.

The Council also expressed its hope that the restraining countries resist any precipitate recourse to alternate methods of protection and discrimination against developing and least developed economies -- given that they had chosen not to execute the process of dismantling quota restrictions in a gradual and progressive manner as was required by the ATC. In this context, the Council resolved to take all appropriate steps to ensure that the gains made by painstaking efforts are duly preserved.

Noting that the realisation of one of its major objectives of full regard for WTO rules and principles in the area of international trade in textiles and clothing had become possible through collaborative efforts by all its members, the Council paid tribute to all concerned.

Looking beyond the legacy of quota restrictions, the Council reiterated the importance of its mandate for positive actions aimed at increasing members' exports of textiles and clothing by further improvement in access to markets, and of the need for continued efforts to promote and strengthen cooperation among them.

The Council decided to pro-actively participate in discussions taking place in the restraining countries on such issues as might negatively impact on members' textiles and clothing trade. It reiterated its determination to press ahead for consolidating the gains already made and securing further liberalisation through the process of the Doha Round.

The Council expressed appreciation for the presence of and valuable contributions by representatives of importers associations (USA-ITA and NRF of the US, FTA Brussels, Textilimportorena of Sweden), the Cotton Textile Export Promotion Council of India, and the Indian Cotton Mills' Federation. The participation of Mr. Sanjoy Bagchi, former Executive Director ITCB and representatives from the Governments of Mauritius, Kenya, Mexico, the Philippines and South Africa as well as of the Chairman Textiles Monitoring Body of the WTO and the representatives of WTO, UNCTAD, ITC was also highly appreciated.

The Council expressed profound gratitude to the Government of India for hosting the Session in New Delhi and for its most generous hospitality. His Excellency, Mr. N.K. Singh, Member Planning Commission, Government of India, inaugurated the Session. His Excellency, Mr. Dipak Chatterjee, Secretary Department of Commerce and His Excellency Mr. S.B. Mohapatra, Secretary Ministry of Textiles, Government of India also addressed the Session.

His Excellency Mr. K.M. Chandrasekhar, Chairman ITCB presided over the Session. Mr. K.K. Jalan, Joint Secretary, Ministry of Textiles, Government of India, and Dr. Magdi Farahat, Minister-Plenipotentiary of Egypt, served as the Vice-Chairmen.
