

**ARRANGEMENT ESTABLISHING THE
INTERNATIONAL TEXTILES AND CLOTHING BUREAU
GENEVA, 21.5.1984**

THE PARTIES TO THIS ARRANGEMENT

Stressing the importance of co-operation among developing countries and territories, exporters of textiles and clothing, presently facing quantitative restraints and other measures which limit their access to the international markets,

Determined to collaborate in positive actions aimed at increasing their exports of textiles and clothing by achieving improved access to markets, through inter alia the elimination of restrictive and discriminatory measures applied against them,

Resolved to further collaborate, with a view to achieving full regard for the principles, rules and objectives of the General Agreement on Tariffs and Trade in the area of international trade in textiles and clothing and the termination of the currently applied derogation from these rules and principles in this sector,

Taking note of the Programme of Co-operation among Developing Countries, Exporters of Textiles and Clothing and its achievements since its inception in 1980, and the need to continue, enhance, deepen and widen this co-operation by giving it an institutional character.

Have agreed as follows:

ARTICLE 1

**Establishment, Headquarters and Structure of the
International Textiles and Clothing Bureau**

1. The Parties to this Arrangement hereby establish the International Textiles and Clothing Bureau, hereinafter called the Bureau.
2. The Bureau shall function through a Council of Representatives, a Chairman, a Vice-Chairman, an Executive Director and staff.
3. The Headquarters of the Bureau shall be in Geneva, Switzerland. The Bureau, however, may hold meetings elsewhere than at the headquarters.

ARTICLE 2

Objectives

The objectives of the Bureau shall be:

- (a) to achieve the elimination of discrimination and protectionism directed against Members' exports of textiles and clothing in world markets and the full application of the rules and principles as enunciated in the General Agreement on Tariffs and Trade to the world trade in textile and clothing products;
- (b) to assist Members, in the interim, in ensuring that their rights under the Arrangement Regarding International Trade in Textiles (1974) as extended, are effectively enforced; and
- (c) to assist Members to enable their effective participation in all relevant international fora dealing with the textiles and clothing sector.

ARTICLE 3

Functions

The functions of the Bureau shall be as follows:

- (a) to develop specific programmes and to co-ordinate all forms of activities which may contribute to the achievement of the objectives of the Bureau;
- (b) to collect, analyse and disseminate to Members information pertinent to textiles and clothing trade;
- (c) to provide assistance and advice to Members (including on an individual basis) with respect to the general pursuit of their trade policy objectives in the textiles and clothing sector and textile negotiations in particular;
- (d) to render assistance and advice to Members in case of trade disputes in the textiles and clothing sector;
- (e) to conduct studies on matters relevant to trade in textiles and clothing of general interest as well as for individual Members;
- (f) to present the point of view of the Members through publications, publicity, participation in public fora, use of mass media, etc., with a view to inter alia informing public opinion as to the costs of protectionism in the textiles and clothing sector;

- (g) to organize seminars, workshops and co-ordination meetings relevant to the carrying out of these functions.

ARTICLE 4

Membership

1. Membership of the Bureau shall be open to all developing countries and territories, exporters of textiles and clothing, participating in the Programme of Co-operation among Developing Countries, Exporters of Textiles and Clothing, namely Argentina, Bangladesh, Brazil, China, Colombia, Dominican Republic, Egypt, El Salvador, Guatemala, Hong Kong, India, Indonesia, Jamaica, Republic of Korea, Macau, Malaysia, Maldives, Mexico, Pakistan, Peru, Philippines, Romania, Singapore, Sri Lanka, Thailand, Uruguay and Yugoslavia. They shall become Members of the Bureau upon becoming parties to this Arrangement, in accordance with Article 19.

2. Developing countries and territories, exporters of textiles and clothing, acceding to this Arrangement in accordance with Article 21, shall also become Members of the Bureau.

ARTICLE 5

Council of Representatives

1. The highest authority of this Arrangement shall be the Council of Representatives, hereinafter called the Council, which shall consist of all the Members of the Bureau.

2. Each Member shall be represented in the Council by one representative and, if it so desires, by one or more alternates and advisers.

3. The Council may establish committees and working groups with specified terms of reference.

4. The Council may authorize any of its Members or the Executive Director to represent it in specific activities necessary to carrying out the Council's functions.

ARTICLE 6

Chairman

1. The Council shall elect from amongst its Members a Chairman for a term of one year. The Chairman shall be eligible for re-election.

2. The Chairman shall convene the sessions of the Council in accordance with Article 9.

3. The Chairman shall consult Members informally on all relevant issues, as appropriate, to expedite the activities of the Bureau.

4. The Chairman shall prepare an annual report on all the Bureau's activities for consideration at its annual session.

ARTICLE 7

Vice-Chairman

1. The Council shall elect from amongst its Members a Vice-Chairman for a term of one year.

2. In the absence of the Chairman, the Vice-Chairman shall discharge the functions of the Chairman.

ARTICLE 8

Executive Director and Staff

1. The Council shall appoint an Executive Director of the Bureau, under terms and conditions of appointment to be determined by the Council.

2. The Executive Director shall be the Chief Executive of the Bureau and shall be responsible to the Council in the discharge of his duties and responsibilities and for the proper functioning of the Bureau.

3. The Executive Director shall be responsible, in particular, for the preparation of a work programme and the annual budget of the Bureau for consideration by the Council at its annual Session.

4. The Executive Director shall assist the Chairman in the exercise of his responsibilities.

5. The Executive Director shall appoint staff in accordance with the regulations established by the Council. The staff shall be responsible to the Executive Director. In the performance of their duties, the Executive Director and staff shall not seek or receive instructions from any Member or from any other authority external to this Arrangement.

6. Neither the Executive Director nor any member of the staff shall have any financial interest in the textiles and clothing industry or trade, or associated commercial activities.

ARTICLE 9

Sessions of the Council

1. The Council shall hold at least one session in every calendar year to adopt the work programme and to approve the budget of the Bureau, in order to further the objectives and discharge the functions of the Bureau as described in articles 2 and 3 respectively.
2. The Council may be convened by the Chairman, as often as necessary at the request of and in consultation with its Members.
3. Developing countries and territories, exporters of textiles and clothing, not members of the Bureau may request observer status at the meetings of the Council. The Council may grant such requests on terms decided by the Council.
4. The Council may also grant observer status at its meetings to relevant organizations and institutions, including national federations of textiles and clothing trade and industry of the Members.

ARTICLE 10

Quorum of the Council

The quorum for any meeting of the Council shall be the presence of a simple majority of its Members.

ARTICLE 11

Decisions of the Council

1. Each Member shall have one vote.
2. Decisions shall be taken by a simple majority of the Members present and voting, with the exception of decisions referred to in paragraphs 3 and 4 of this article.
3. Decisions concerning the work programme and the budget of the Bureau shall be taken by a two-thirds majority of the Members present and voting.
4. Decisions concerning articles 23 and 24 shall be taken by a three-fourths majority of the Members of the Bureau.

ARTICLE 12

Co-operation with other Organizations

The Bureau shall, as appropriate, co-operate and consult with the United Nations Conference on Trade and Development, the General Agreement on Tariffs and Trade and with other appropriate governmental and intergovernmental organizations.

ARTICLE 13

Budget

1. The budget of the Bureau shall be funded by annual contributions from Members, calculated according to their respective shares of total exports of textile and clothing products (as defined in Article 12 of the Arrangement Regarding International Trade in Textiles (hereinafter MFA)) to those countries generally regarded as importers under the MFA.
2. The shares referred to in paragraph 1 above shall be calculated on the basis of the latest available United Nations trade statistics for a calendar year.
3. Contributions to the budget shall be payable in freely usable currencies, which shall be currencies designated from time to time by a competent international monetary organization as being in fact widely used to make payments for international transactions and widely traded in the principal exchange markets.
4. Resources contributed to the Bureau may be transferred to or from the Trust Fund administered by UNCTAD for support to developing countries, exporters of textiles and clothing (TX/INT/81/A10) on a decision of the Council.
5. The Executive Director shall submit to the Council an independently audited statement of receipts and expenditures relating to the budget during the preceding financial year. (The twelve-month period from 1 January to 31 December inclusive shall be the financial year.)

ARTICLE 14

Voluntary Contributions

The Council may accept voluntary contributions from members and non-members.

ARTICLE 15

Privileges and Immunities

1. The Bureau shall possess juridical personality. It shall, in particular, have the capacity to contract and to acquire, and dispose of, immovable and movable property and to institute legal proceedings.
2. The Bureau shall, as soon as possible after the entry into force of this Arrangement, seek to conclude with the Government of the country in which the headquarters of the Arrangement is situated (hereinafter referred to as host Government) an agreement relating to the status, privileges and immunities of the Bureau, its Chairman, Vice-Chairman, Executive Director and staff and of representatives of Members whilst in the territory of the host Government for the purpose of discharging their functions.
3. Pending conclusion of the Headquarters Agreement referred to in paragraph 2 of this article, the Bureau shall request the host Government to grant, within the limits of its national legislation, exemption from taxation on remuneration paid by the Bureau to its employees, and on the assets, income and other property of the Bureau.
4. When performing missions for the Bureau, the Executive Director and the staff of the Bureau, as well as their families, where they are not nationals of the Member concerned, shall be accorded the same immunities; facilities and treatment as are accorded by such Member to the representatives, officials and employees of comparable rank of other international institutions of which it is a Member.

ARTICLE 16

General Provisions

Subject to the provisions of this Arrangement, the Council shall adopt such regulations, including financial and staff regulations, as are necessary to carry out its functions.

ARTICLE 17

Working Languages

The working languages of the Bureau shall be decided by the Council.

ARTICLE 18

Depositary

The Government of Colombia is hereby designated as the depositary of this Arrangement.

ARTICLE 19

Signature, Ratification, Acceptance or Approval

1. The developing countries and territories referred to in article 4 may become parties to this Arrangement by (a) signature not subject to ratification, acceptance or approval, or (b) signature subject to and followed by ratification, acceptance or approval.
2. This Arrangement shall be open for signature from 21 May 1984.

ARTICLE 20

Entry into Force

1. This Arrangement shall enter into force upon the expiry of one month from the date on which six developing countries and territories, representing not less than 70 per cent of total exports of textile and clothing products of developing countries and territories referred to in article 4, paragraph 1, to those countries generally regarded as importers under the MFA, have become parties to this Arrangement in accordance with article 19. The textile and clothing products shall be those defined in article 12 of the MFA.

2. For developing countries and territories referred to in article 4, paragraph 1, becoming parties to this Arrangement after it has entered into force in accordance with paragraph 1 above, this Arrangement shall enter into force upon the expiry of one month from, the date on which the definitive signature has been affixed or the instrument of ratification, acceptance or approval deposited.

ARTICLE 21

Accession

1. After the entry into force of this Arrangement, developing countries and territories, exporters of textiles and clothing, which subscribe to the objectives of this Arrangement, may apply to the Council to accede to this Arrangement upon terms and conditions decided by the Council.

2. Accession shall be effected by the deposit of an instrument of accession with the depositary. This Arrangement shall enter into force for any acceding country or territory upon the expiry of one month from the date on which the instrument of accession is deposited.

ARTICLE 22

Withdrawal

A Member may withdraw from this Arrangement at any time after its entry into force by giving written notice of withdrawal simultaneously to the depositary and the Executive Director. The Council shall determine any settlement of accounts with a Member which ceases to be a party to this Arrangement. Withdrawal shall become effective 90 days after the notice is received by the depositary.

ARTICLE 23**Denial of Rights**

If the Council determines that any Member is in default of its obligations under this Arrangement, such default significantly impairing the realization of the objectives or the operation of this Arrangement, the Council may bar for such period as it may determine that Member from the exercise of any or all rights and privileges arising out of this Arrangement with the exception of the right of withdrawal under article 22.

ARTICLE 24**Duration**

The Council shall meet in a special session in the latter half of 1985, to consider whether this Arrangement should be extended, with or without modifications, or discontinued.

ARTICLE 25**Reservations**

Reservations may not be made with respect to any of the provisions of this arrangement.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have affixed their signatures under this Arrangement on the dates indicated.

Done at Geneva on the twenty-first day of May, one thousand nine hundred and eighty-four, the texts of this Arrangement in the Arabic, Chinese, English and Spanish languages being equally authentic.