ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Bilateral Agreement Between
the EEC and the Union of Socialist Soviet Republics

The Textiles Surveillance Body received a notification from the EEC of a bilateral agreement concluded with the Soviet Union for the period 1 January 1990 to 31 December 1992.

This notification has been made in accordance with a request made by the Textiles Committee that bilateral agreements concluded with non-participants be notified.

The TSB agreed to forward the text of the Agreement to participating countries for their information.

*English only/Anglais seulement/Inglés solamente

91-0179
Agreed Minute

During discussions held in Brussels on 4-10 December 1989 between a delegation of the European Economic Community presided by Mr. Schaub and a delegation of the Union of Socialist Soviet Republics presided by Mr. Martynov, the two delegations negotiated an agreement on trade in textile products between the European Economic Community and the Union of Socialist Soviet Republics. The text of the Agreement, its Annexes, Protocols, Agreed Minutes and Letters are attached hereto.

Brussels, 11 December 1989

Head of the delegation of the European Economic Community

Head of the delegation of the Union of Socialist Soviet Republics
THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE GOVERNMENT OF THE UNION OF SOCIALIST SOVIET REPUBLICS,

of the other part,

DESIRING to promote, with a view to permanent co-operation and in conditions providing every security for trade, the orderly and equitable development of trade in textile products between the European Economic Community (hereinafter referred to as "the Community") and the Union of Socialist Soviet Republics (hereinafter referred to as "USSR"),

RESOLVED to take the fullest possible account of the serious economic and social problems at present affecting the textile industry in both importing and exporting countries, and in particular, to eliminate real risks of market disruption on the market of the Community and real risks of disruption to the textile trade of the USSR,

HAVE DECIDED to conclude this Agreement and to this end have designated as their Plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

THE GOVERNMENT OF THE UNION OF SOCIALIST SOVIET REPUBLICS:

WHO HAVE AGREED AS FOLLOWS:
AGREEMENT BETWEEN
THE EUROPEAN ECONOMIC COMMUNITY
AND
THE UNION OF SOCIALIST SOVIET REPUBLICS
ON TRADE IN TEXTILE PRODUCTS

Article 1

1. Trade in textile products listed in Annex I and originating within the contracting parties shall be liberalized for the duration of this Agreement under the conditions set out therein.

2. Subject to the provisions of this or any successive Agreement, the Community undertakes, in respect of the products listed in Annex I, to suspend the application of quantitative import restrictions currently in force and not to introduce new quantitative restrictions.

Quantitative import restrictions shall be reintroduced in case of denunciation or non-replacement of the present Agreement.

3. Measures having equivalent effect to quantitative restrictions on the importation into the Community of the products listed in Annex I shall be prohibited.

Article 2

1. The USSR agrees to establish and maintain for each calendar year quantitative limits on its exports to the Community in accordance with Annex II. Such exports shall be subject to a double-checking system specified in Protocol A.

2. In administering the quantitative limits referred to in paragraph 1, the USSR shall ensure that the Community textile industry shall benefit from utilization of the said limits.

More particularly, as regards categories 1, 2, 2A and 3 the USSR undertakes upon request from the Community textile industry to reserve, as a priority, 25 per cent of the quantitative limits concerned for industry users during a period extending between 1 February to 20 March of each year and another 25 per cent of the quantitative limits concerned for industry users during a period extending between 1 September to 15 October of each year. For this purpose, contracts made with the industry during the periods in question shall be taken into consideration.

3. To facilitate the implementation of these provisions the Community shall provide the competent USSR authorities, before the end of each year, with a list of interested manufacturers and processors and, if possible, of the quantity of products requested for each firm. To this end, the firms
concerned are invited to make direct contact with the relevant USSR enterprises as early as possible during the two reservation periods mentioned in paragraph 2, in order to make their purchasing intentions known.

Article 3

1. Exports of textile products specified in Annex III of this Agreement are subject to the conditions laid down in the following paragraphs. Such exports shall be subject to a double-checking system specified in Protocol A.

2. The USSR agrees to maintain for each calendar year its exports to the Community of the products specified in Annex III within the levels specified therein, hereinafter referred to as consultation levels.

3. Consultations shall be held periodically, in accordance with the procedure provided for in Article 18, in order to examine the trend of exports with regard to the consultation levels and to bring about, if necessary and, where appropriate, in advance of the relevant consultation level being attained, mutually agreed adjustments thereto.

4. If it appears that quantities additional to the levels set out in paragraph 2 are required, consultations will be held, in accordance with the procedures of Article 18 and at the request of either contracting party, with a view to finding a mutually acceptable solution. Such a solution may consist of either fixing a new consultation level for the current calendar year or fixing a definitive quantitative limit which will be subject to the provisions laid down for the products listed in Annex II. If the consultations do not lead to a mutually satisfactory solution, the consultation levels specified in Annex III, as eventually modified, shall be maintained.

Article 4

1. Imports into the Community of textile products covered by this Agreement shall not be subject to the quantitative limits established in Annex II or to the consultation levels set out in Annex III, provided that they are declared to be for re-export outside the Community in the same state or after processing, within the framework of the administrative system of control which exists within the Community.

However, the release for home use of products imported under the conditions referred to above shall be subject to the production of an export licence issued by the USSR authorities, and to proof of origin in accordance with the provisions of Protocol A.
2. Where the Community authorities ascertain that imports of textile products have been set off against a quantitative limit or a consultation level established under this Agreement, but that the products have subsequently been re-exported outside the Community, the authorities concerned shall inform the USSR authorities within four weeks of the quantities involved and authorize imports of identical quantities of the same products, which shall not be set off against the quantitative limit or consultation level established under this Agreement for the current or the following year.

3. USSR exports of cottage industry fabrics woven on hand or foot-operated looms, garments or other made-up articles obtained manually from such fabrics and of traditional folklore handicraft products shall not be subject to quantitative limits, provided that these products meet the conditions laid down in Protocol B.

4. The Community and the USSR recognize the special and differential character of re-imports of textile products into the Community after processing in the USSR.

Provided that they are effected in accordance with the regulations on economic outward processing in force in the Community, these re-imports are not subject to the quantitative limits set out in Annex II and the consultation levels set out in Annex III when they are subject to the specific arrangements laid down in Protocol D.

**Article 5**

1. In any Agreement year advance use of a portion of the quantitative limit established for the following Agreement year is authorized for each category of products up to 5 per cent of the quantitative limit for the current Agreement year.

Amounts delivered in advance shall be deducted from the corresponding quantitative limits established for the following Agreement year.

2. Carry-over to the corresponding quantitative limit for the following Agreement year of the amounts not used during any Agreement year is authorized for each category of products up to 7 per cent of the quantitative limit for the current Agreement year.

3. Transfers in respect of categories in Group I shall not be made from any category except as follows:

- transfers between Categories 2 and 3 and from Category 1 to Categories 2 and 3 may be made up to 4 per cent of the quantitative limits for the category to which the transfer is made;

- transfers between Categories 4, 5, 6, 7 and 8 may be made up to 4 per cent of the quantitative limit for the category to which the transfer is made.
Transfers into any category in Groups II and III may be made from any category or categories in Groups I, II and III up to 5 per cent of the quantitative limit for the category to which the transfer is made.

4. The table of equivalence applicable to the transfers referred to above is given in Annex I to this Agreement.

5. The increase in any category of products resulting from the cumulative application of the provisions in paragraphs 1, 2 and 3 above during an Agreement year shall not exceed the following limits:

- 13 per cent for categories of products in Group I;
- 13.5 per cent for categories of products in Group II.

6. Prior notification shall be given by the authorities of the USSR in the event of recourse to the provisions of paragraphs 1, 2 and 3 above.

**Article 6**

1. Exports of textile products not listed in Annex II or Annex III to this Agreement may be made subject to quantitative limits by the USSR on the conditions laid down in the following paragraphs.

2. Where the Community finds, under the system of administrative control set up, that the level of imports of products in a given category not listed in Annex II or Annex III originating in the USSR exceeds, in relation to the preceding year's total imports into the Community from all sources of products in that category, the following rates:

- 2.4 per cent for categories of products in Group II;
- 8 per cent for categories of products in Group III;

it may request the opening of consultations in accordance with the procedure described in Article 18 of this Agreement, with a view to reaching agreement on an appropriate restraint level for the products in such category.

3. Pending a mutually satisfactory solution, the USSR undertakes, from the date of notification of the request for consultations, to suspend or limit at the level indicated by the Community exports of the category of products in question to the Community or to the region or regions of the Community market specified by the Community.

The Community shall authorize the importation of products of the said category shipped from the USSR before the date on which the request for consultations was submitted.
4. Should the contracting parties be unable in the course of consultations to reach a satisfactory solution within the period specified in Article 18, paragraph 2, the Community shall have the right to introduce a definitive quantitative limit at an annual level not lower than the level resulting from the application of the formula set out in paragraph 2, or 106 per cent of the level of imports reached during the calendar year preceding that in which imports exceeded the level resulting from the application of the formula set out in paragraph 2 and gave rise to the request for consultations, whichever is the higher.

The annual level so fixed shall be revised upwards after consultations in accordance with the procedure referred to in Article 18, with a view to fulfilling the conditions set out in paragraph 2, should the trend of total imports into the Community of the product in question make this necessary.

5. The limits introduced under paragraph 2 or paragraph 4 may in no case be lower than the level of imports of products in that category originating in the USSR in 1989.

6. Quantitative limits may also be established by the Community on a regional basis in accordance with the provisions of Protocol C.

7. The provisions of this Article shall not apply where the percentages specified in paragraph 2 have been reached as a result of a fall in total imports into the Community, and not as a result of an increase in exports of products originating in the USSR.

8. In the event of the provisions of paragraph 2, 3 or 4 being applied, the USSR undertakes to issue export licences for products covered by contracts concluded before the introduction of the quantitative limit, up to the volume of the quantitative limit fixed.

9. Up to the date of communication of the statistics referred to in Article 15 paragraph 6, the provisions of paragraph 2 of this Article shall apply on the basis of the annual statistics previously communicated by the Community.

10. The provisions of this Agreement which concern exports of products subject to the quantitative limits established in Annex II shall also apply to products for which quantitative limits are introduced under this Article.

**Article 7**

1. The Community and the USSR agree to co-operate fully in preventing the circumvention of this Agreement by transhipment, re-routing or whatever other means.

2. Where information available to the Community as a result of the investigations carried out in accordance with the procedures set out in
Protocol A constitutes evidence that products of USSR origin subject to quantitative limits or consultation levels established under this Agreement have been transhipped, re-routed or otherwise imported into the Community in circumvention of this Agreement, the Community may request the opening of consultations in accordance with the procedures described in Article 18, with a view to reaching agreement on an equivalent adjustment of the corresponding quantitative limits or consultation levels established under this Agreement.

3. Pending the result of the consultations referred to in paragraph 2, the USSR shall as a precautionary measure, if so requested by the Community, make the necessary arrangements to ensure that adjustments of quantitative limits or consultation levels liable to be agreed following the consultations referred to in paragraph 2 may be carried out for the quota year in which the request to open consultations in accordance with paragraph 2 was made, or for the following year if the quota for the current year is exhausted, where clear evidence of circumvention is provided.

4. Should the contracting parties be unable in the course of consultations to reach a satisfactory solution within the period specified in Article 18, paragraph 2, the Community shall have the right, where clear evidence of circumvention has been provided, to deduct from the quantitative limits or consultation levels established under this Agreement amounts equivalent to the products of USSR origin.

Article 8

1. The USSR shall endeavour to ensure that exports of textile products covered by this Agreement are spaced out as evenly as possible over the year, due account being taken in particular of seasonal factors.

2. Should there be an excessive concentration of imports of any products belonging to a category subject to quantitative limits under this Agreement, the Community may request consultations in accordance with the procedure specified in Article 18 with a view to remedying this situation.

Article 9

In the event of denunciation of this Agreement as provided for in Article 22, paragraph 3, the quantitative limits established in Annex II and the consultation levels in Annex III shall be reduced on a pro rata temporis basis unless the contracting parties decide otherwise by common agreement.
Article 10

1. For the purpose of the effective administration of this Agreement, the quantitative limits and consultation levels referred to in Articles 2 and 3 may be divided by the Community into shares for each of its regions. Such shares shall be communicated by the Community to the USSR.

Article 11

1. Portions of the quantitative limits established in Annex II or the consultation levels set out in Annex III not used in one region of the Community may be reallocated to another region in accordance with the procedures in force in the Community.

The Community undertakes to examine with care and reply within four weeks to any request made for reallocation by the USSR. With regard to the quantitative limits established in Annex II, in the event of agreement on such reallocation, the flexibility provisions set out in Article 5 shall continue to be applicable to the levels of the original allocation.

2. After 1 June of each year of application of the Agreement, the USSR may transfer, subject to prior notification to the Community, the unused quantities of the regional quota-shares of a Community quantitative limit, set out in Annex II or of a consultation level, set out in Annex III, to the quota-shares of the same limit of other regions of the Community provided that the regional quota-share from which the transfer is made is utilized by less than 80 per cent, and up to the amount of the following percentages of the quota-share to which the transfer is made:

- 4 per cent in the first year of application of the Agreement;
- 8 per cent in the second year of application of the Agreement;
- 16 per cent in the third year of application of the Agreement.

The percentage in the subsequent years of application of the Agreement shall be determined following consultations between the contracting parties.

3. Should it appear in any given region of the Community that additional supplies are required, the Community may, where measures taken pursuant to paragraph 2 are inadequate to cover those requirements, authorize the importation of amounts greater than those stipulated in Annex II.

Article 12

1. The USSR is prepared to co-operate fully and to the extent necessary to take, within the framework of its trade policy and within the limits of its powers, measures to prevent the disruption of the trade for certain raw materials listed in Annex IV.
2. Taking into account its production and export possibilities, the USSR in administering exports of the products referred to in paragraph 1 shall give whenever possible favourable treatment, on a non-discriminatory basis, to the above-mentioned products, requested by the Community with a view to meeting its needs.

3. Problems arising in this area may be the subject of the consultations provided for under Article 18.

**Article 13**

1. Should the Community consider that a textile product covered by this Agreement is being imported into the Community from the USSR at a price abnormally lower than the normal competitive level and is for this reason causing or threatening to cause serious injury to Community producers of like or directly competing products, it may request consultations under Article 18, and in that event the following specific provisions shall be applicable.

2. If following such consultations it is acknowledged by common accord that the situation described in paragraph 1 exists, the USSR shall take, within the limits of its powers, the necessary steps, notably as regards the price at which the product in question will be sold, to remedy the situation.

3. In order to determine whether the price of a textile product is abnormally lower than the normal competitive level, it may be compared with:

   - the prices generally charged for like products sold under the ordinary conditions by other exporting countries on the market of the importing country;
   
   - the prices of like national products at a comparable marketing stage on the market of the importing country;
   
   - the lowest prices charged by a third country for the same product in the course of ordinary commercial dealings in the three months preceding the request for consultations, and not having led to the adoption of any measure by the Community.

4. Should the consultations referred to in paragraph 2 above fail to lead to agreement within thirty days of the Community's request for consultations, the Community may, until these consultations have produced a mutually satisfactory solution, temporarily refuse consignments of the product in question at prices under the conditions referred to in paragraph 1 above.

5. In totally exceptional and critical circumstances, where consignments of products are being imported from the USSR into the Community at prices abnormally lower than the normal competitive level, such as to cause injury
which it would be difficult to repair, the Community may temporarily suspend imports of the products concerned pending agreement on a solution in the course of consultations, which shall be opened immediately. The contracting parties shall do their utmost to reach a mutually acceptable solution within ten working days' notice of the opening of such consultations.

6. Should the Community have recourse to the measures referred to in paragraphs 4 and 5 above, the USSR may at any time request the opening of consultations to examine the possibility of eliminating or modifying these measures where the causes which made them necessary no longer exist.

Article 14

1. The classification of the products covered by this Agreement is based on the tariff and statistical nomenclature and on the Common Customs Tariff of the Community (hereinafter called the "Combined Nomenclature", or in abbreviated form "CN") and any amendments thereof.

   Where any decision on classification results in a change of classification practice or a change of category of any product subject to this Agreement the affected products shall follow the trade régime applicable to the practice or category they fall into after such changes.

   Any amendment to the Combined Nomenclature (CN) made in accordance with the procedures in force to the Community, concerning categories of products covered by this Agreement or any decision relating to the classification of goods shall not have the effect of reducing quantitative limits or consultation levels introduced pursuant to this Agreement.

2. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in the Community.

   Any amendment to these rules of origin shall be communicated to the USSR and shall not have the effect of reducing any quantitative limit established in Annex II or the consultation levels set out in Annex III.

   The procedures for control of the origin of the products referred to above are laid down in Protocol A.

Article 15

1. The USSR shall supply the Community with precise statistical information on all export licences issued for categories of textile products subject to the quantitative limits set out in Annex II, and the consultation levels set out in Annex III expressed in quantities and in terms of value and broken down by Member States of the Community, as well as on all certificates issued by the competent USSR organizations authorized under USSR legislation for products referred to in Article 4, paragraph 3, and subject to the provisions of Protocol B.
2. The Community shall likewise transmit to the USSR authorities precise statistical information on import authorizations or documents issued by the Community authorities and import statistics for products covered by the system referred to in Article 6, paragraph 2.

3. The information referred to above shall, for all categories of products, be transmitted before the end of the second month following the quarter to which the statistics relate.

4. Upon request by the Community, the USSR shall supply import statistics for all products covered by Annex I.

5. Should it be found on analysis of the information exchanged that there are significant discrepancies between the returns for exports and those for imports, consultations may be initiated in accordance with the procedure specified in Article 18 of this Agreement.

6. For the purpose of applying the provisions of Article 6, the Community undertakes to provide the USSR authorities before 15 April of each year with the preceding year's statistics on imports of all textile products covered by this Agreement, broken down by supplying country and Community Member State.

Article 16

1. The USSR shall create favourable conditions for imports of textile products originating in the Community listed in Annex I and, inter alia, accord to them non-discriminatory treatment as regards the application of quantitative restrictions, the granting of licences and the allocation of currency needed to pay for such imports. The USSR will also recommend to its importers to use the possibilities offered by the Community producers of textiles mentioned above while according the highest possible degree of liberalization to those imports, taking into account the development of trade between the contracting parties.

2. Where a need for additional supplies arises and in particular a need leading to the diversification of imports of textile products in the USSR, the USSR shall accord non-discriminatory treatment to imports of textile products originating in the Community.

Article 17

1. The contracting parties agree to examine the trend of trade in textile products and garments each year, in the framework of the consultations provided for in Article 18 and on the basis of the statistics referred to in Article 15.
2. If the Community finds that in the cases foreseen in Article 16, paragraph 2, of this Agreement, it is placed in an unfavourable position as compared with a third country, it may request consultations with the USSR in accordance with the procedure specified in Article 18 with a view to taking appropriate action.

Article 18

1. The consultation procedures referred to in this Agreement other than those referred to in paragraph 2 of this Article, shall be governed by the following provisions:

- as far as possible consultations shall be held periodically. Specific additional consultations may also be held;

- any request for consultations shall be notified in writing to the other contracting party;

- where appropriate, the request for consultations shall be followed within a reasonable period (and in any case not later than fifteen days following the notification) by a report setting out the circumstances which, in the opinion of the requesting party, justify the submission of such a request;

- the contracting parties shall enter into consultations within one month of notification of the request at the latest, with a view to reaching agreement or a mutually acceptable conclusion within one further month at the latest;

- the period of one month referred to above for the purpose of reaching agreement or a mutually acceptable conclusion may be extended by common accord.

2. The Community may request consultations in accordance with paragraph 1 when it ascertains that during a particular year of application of the Agreement, difficulties arise in the Community or one of its regions due to a sharp and substantial increase, by comparison to the preceding year, in imports of a given category of Group 1 subject to the quantitative limits set out in Annex II.

3. At the request of either of the contracting parties, consultations shall be held on any problems arising from the application of this Agreement. Any consultations held under this Article shall take place in a spirit of co-operation and with a desire to reconcile the differences between the contracting parties.
Article 19

The contracting parties undertake to promote the exchange of visits by persons, groups and delegations from business, trade and industry, to facilitate contacts in the industrial, commercial and technical fields connected with trade and co-operation in the textile industry and textile products and garments, and to assist in the organization of fairs and exhibitions of mutual interest.

Article 20

As regards intellectual property, at the request of either contracting party, consultations shall be held in accordance with the procedure laid down in Article 18 with a view to finding an equitable solution to problems relating to the protection of marks, designs or models of articles of apparel and textile products.

Article 21

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Economic Community is applied and under the conditions laid down in that Treaty and, on the other hand, to the territory of the Union of Soviet Socialist Republics.

Article 22

1. This Agreement shall enter into force on the first day of the month following the date of its signature. It shall be applicable until 31 December 1992.

2. This Agreement shall apply with effect from 1 January 1990.

3. Either contracting party may at any time propose modifications to this Agreement or denounce it, provided that at least six months' notice is given. In that event, the Agreement shall come to an end on the expiry of the period of notice.

4. The contracting parties agree to enter into consultations not later than six months before the expiration of the present agreement with a view to possibly concluding a new Agreement.

5. The Annexes and Protocols to this Agreement and the Agreed Minutes and letters exchanged or attached thereto, shall form an integral part thereof.
**ANNEX II**

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form.

**Community Quantitative Limits**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Units</th>
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<th>Quantitative limits EEC</th>
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<td>1990</td>
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<td>4,761</td>
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<td></td>
<td></td>
<td>1992</td>
<td>4,928</td>
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<td>2</td>
<td>Woven fabrics of cotton</td>
<td>Tonnes</td>
<td>1990</td>
<td>12,400</td>
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<td></td>
<td></td>
<td></td>
<td>1991</td>
<td>12,834</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>1992</td>
<td>13,283</td>
</tr>
<tr>
<td>2A</td>
<td>of which: other than unbleached or bleached</td>
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<td></td>
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<td></td>
<td></td>
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<td>3,107</td>
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<tr>
<td>3</td>
<td>Woven fabrics of man-made fibres (discontinuous or waste)</td>
<td>Tonnes</td>
<td>1990</td>
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<td></td>
<td></td>
<td></td>
<td>1991</td>
<td>1,863</td>
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<td></td>
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<td>1992</td>
<td>1,928</td>
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<td>4</td>
<td>Shirts, T-shirts and the like, knitted or crocheted</td>
<td>1,000 pieces</td>
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<td>3,112</td>
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<td>Jerseys, windcheaters and the like</td>
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<td>Woven trousers</td>
<td>1,000 pieces</td>
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<td></td>
<td></td>
<td>1992</td>
<td>2,402</td>
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<td>7</td>
<td>Blouses and shirt-blouses, woven, knitted or crocheted</td>
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<td>1990</td>
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<td></td>
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<td>Category</td>
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<td>Units</td>
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<td>Year 2</td>
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<td>------------------------------------------</td>
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<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>8</td>
<td>Men's shirts, woven</td>
<td>1,000</td>
<td>1990</td>
<td>1991</td>
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<tr>
<td></td>
<td></td>
<td>pieces</td>
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<tr>
<td>20</td>
<td>Bed linen, other than knitted or crocheted</td>
<td>Tonnes</td>
<td>1990</td>
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<tr>
<td></td>
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<tr>
<td>21</td>
<td>Parkas, anoraks, woven</td>
<td>1,000</td>
<td>1990</td>
<td>1991</td>
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<tr>
<td></td>
<td></td>
<td>pieces</td>
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ANNEX III

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form.

**Community Consultation Levels**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Units</th>
<th>Consultation levels EEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Woven terry fabrics and toilet linen</td>
<td>Tonnes</td>
<td>2,500</td>
</tr>
<tr>
<td>12</td>
<td>Socks, other than babies'</td>
<td>1,000 pairs</td>
<td>7,000</td>
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<tr>
<td>13</td>
<td>Underpants and briefs, knitted or crocheted</td>
<td>1,000 pieces</td>
<td>7,000</td>
</tr>
<tr>
<td>15</td>
<td>Women's overcoats, raincoats, cloaks and capes, other than knitted or crocheted</td>
<td>1,000 pieces</td>
<td>1,000</td>
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<tr>
<td>16</td>
<td>Men's woven suits</td>
<td>1,000 pieces</td>
<td>800</td>
</tr>
<tr>
<td>22</td>
<td>Yarn of staple or waste synthetic fibres</td>
<td>Tonnes</td>
<td>2,000</td>
</tr>
<tr>
<td>23</td>
<td>Yarn of staple or waste artificial fibres</td>
<td>Tonnes</td>
<td>1,500</td>
</tr>
<tr>
<td>24</td>
<td>Pyjamas, nightdresses, bath robes, dressing gowns and the like, knitted or crocheted</td>
<td>1,000 pieces</td>
<td>1,800</td>
</tr>
<tr>
<td>26/27</td>
<td>Woven and knitted or crocheted dresses and skirts, including divided skirts</td>
<td>1,000 pieces</td>
<td>1,800</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Units</td>
<td>Consultation levels EEC</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------------------------------------------------------</td>
<td>------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>29</td>
<td>Women's or girls' suits and ensembles, other than knitted or crocheted</td>
<td>1,000 pieces</td>
<td>500</td>
</tr>
<tr>
<td>33</td>
<td>Woven fabrics of synthetic filament yarn, sacks and bags obtained from strip</td>
<td>Tonnes</td>
<td>1,900</td>
</tr>
<tr>
<td>35</td>
<td>Woven fabrics of regenerated fibres (continuous)</td>
<td>Tonnes</td>
<td>1,400</td>
</tr>
<tr>
<td>37</td>
<td>Woven fabrics of regenerated fibres (discontinuous or waste)</td>
<td>Tonnes</td>
<td>1,800</td>
</tr>
<tr>
<td>39</td>
<td>Table, toilet and kitchen linen, other than knitted or crocheted</td>
<td>Tonnes</td>
<td>900</td>
</tr>
<tr>
<td>50</td>
<td>Woven fabrics of wool or of fine animal hair</td>
<td>Tonnes</td>
<td>450</td>
</tr>
<tr>
<td>67</td>
<td>Clothing accessories, other than for babies, and other articles, knitted or crocheted, including parts</td>
<td>Tonnes</td>
<td>900</td>
</tr>
<tr>
<td>73</td>
<td>Track suits</td>
<td>1,000 pieces</td>
<td>800</td>
</tr>
<tr>
<td>74</td>
<td>Women's or girls' knitted or crocheted suits and ensembles</td>
<td>1,000 pieces</td>
<td>1,000</td>
</tr>
<tr>
<td>83</td>
<td>Other knitted garments</td>
<td>Tonnes</td>
<td>550</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Units</td>
<td>Consultation levels EEC</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------</td>
<td>-------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>90</td>
<td>Cordage of synthetic fibres</td>
<td>Tonnes</td>
<td>1,400</td>
</tr>
<tr>
<td>115</td>
<td>Flax or ramie yarn</td>
<td>Tonnes</td>
<td>550</td>
</tr>
<tr>
<td>117</td>
<td>Woven fabrics of flax or of ramie</td>
<td>Tonnes</td>
<td>1,200</td>
</tr>
<tr>
<td>118</td>
<td>Bed linen, table linen, toilet and kitchen linen of flax or ramie</td>
<td>Tonnes</td>
<td>800</td>
</tr>
</tbody>
</table>
ANNEX IV

Raw Materials Referred to in Article 12

Angora
Cashmere
Cotton
Silk waste
PROTOCOL A

Title I

Classification

Article 1

1. The competent authorities of the Community undertake to inform the USSR of any changes in the Combined Nomenclature (CN) before the date of their entry into effect in the Community.

2. The competent authorities of the Community undertake to inform the USSR of any decisions relating to the classification of products subject to the Agreement within one month of their adoption at the latest. Such communication shall include:

   (a) a description of the products concerned;
   
   (b) the relevant category and the related CN Codes;
   
   (c) the reasons which have led to the decision.

3. Where a decision on classification results in a change of classification practice or a change of category of any product subject to the Agreement, the competent authorities of the Community shall provide thirty days' notice, from the date of the Community's communication, before the decision is put into effect. Products shipped before the date of entry into effect of the decision shall remain subject to the earlier classification practice, provided that the goods in question are presented for importation into the Community within sixty days of that date.

4. Where a Community decision on classification resulting in a change of classification practice or a change of categorization of any product subject to the Agreement affects a category subject to restraint, the contracting parties agree to enter into consultation in accordance with the procedures described in Article 18 of the Agreement with a view to honouring the obligation under the second sub-paragraph of Article 14(2) of the Agreement.

5. In case of divergent opinions between the USSR and the competent Community authorities at the point of entry into the Community on the classification of products covered by the present Agreement, classification shall provisionally be based on indications provided by the Community, pending consultations in accordance with Article 18 with a view to reaching agreement on definitive classification of the product concerned.
Title II

Origin

Article 2

1. Products originating in the USSR for export to the Community in accordance with the arrangements established by this Agreement shall be accompanied by a certificate of USSR origin conforming to the model annexed to this Protocol.

2. The certificate of origin shall be certified by the competent USSR organizations authorized under USSR legislation if the products in question can be considered products originating in that country within the meaning of the relevant rules in force in the Community.

3. However, the products in Group III may be imported into the Community in accordance with the arrangements established by this Agreement on production of a declaration by the exporter on the invoice or other commercial document relating to the products to the effect that the products in question originate in the USSR within the meaning of the relevant rules in force in the Community.

Article 3

The certificate of origin shall be issued only on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorized representative. The competent USSR organizations authorized under USSR legislation shall ensure that the certificate of origin is properly completed and for this purpose they shall call for any necessary documentary evidence or carry out any check which they consider appropriate.

Where difficult criteria for determining origin are laid down, or falling within the same category, certificates or declarations of origin shall contain a sufficiently detailed description of the goods to enable the criterion to be ... ... ... of which the certificate was issued or the declaration drawn up.

Article 5

The discovery of slight discrepancies between the statements made in the certificate of origin and those made in the documents produced to the customs office for the purpose of carrying out the formalities for importing the product shall not ipso facto cast doubt upon the statements in the certificate.
TITLE III

Double Checking System for Categories of Products with Quantitative Limits and Consultation Levels

Section I

Exportation

Article 6

The competent USSR authorities shall issue an export licence in respect of all consignments from the USSR of textile products referred to in Annex II and in Annex III, up to the relevant quantitative limits or consultation levels as may be modified by Articles 3, 4, 5, 7, 9 and 11 of the Agreement and of textile products subject to any definitive or provisional quantitative limits established as a result of the application of Article 6 of the Agreement.

Article 7

1. The export licence shall conform to the model annexed to this Protocol. It must certify inter alia that the quantity of the product in question has been set off against the quantitative limit or consultation level prescribed for the category of the product in question.

2. Each export licence shall only cover one of the categories of products listed in Annex II or Annex III of the Agreement. It may be used for one or more consignments of the products in question.

Article 8

The competent Community authorities must be notified forthwith of the withdrawal or alteration of any export licence already issued.

Article 9

1. Exports shall be set off against the quantitative limits or consultation levels established for the year in which shipment of the goods has been effected, even if the export licence is issued after such shipment.

2. For the purposes of applying paragraph 1, shipment of the goods is considered to have taken place on the date of their loading on to the exporting aircraft, vehicle or vessel.
Article 10

The presentation of an export licence, in application of Article 12 below, shall be effected not later than 31 March of the year following that in which the goods covered by the licence have been shipped.

Section II

Importation

Article 11

Importation into the Community of textile products subject to quantitative limits or consultation levels shall be subject to the presentation of an import authorization or document.

Article 12

1. The competent Community authorities shall issue the import authorization or document referred to in Article 11 within five working days of the presentation by the importer of the original of the corresponding export licence.

The import authorization or document shall be valid for six months.

2. The competent Community authorities shall cancel the already issued import authorization or document if the corresponding export licence has been withdrawn. However, if the competent Community authorities have not been notified about the withdrawal or cancellation of the export licence until after the products have been imported into the Community, the quantities involved shall be set off against the quantitative limit or consultation level for the category and the quota year in question.

Article 13

1. If the competent Community authorities find that the total quantities covered by export licences issued by the competent USSR authorities for a particular category in any Agreement year exceed the quantitative limit established in Annex II or the consultation level established in Annex III for that category, as may be modified by Articles 3, 4, 5, 7, 9 and 11 of the Agreement, or any definitive or provisional limit established under Article 6 of the Agreement, the competent Community authorities may suspend the further issue of import authorizations or documents. In this event, the competent Community authorities shall immediately inform the competent USSR authorities and the special consultation procedure set out in Article 18 of the Agreement shall be initiated forthwith.
2. Exports of USSR origin not covered by USSR export licences issued in accordance with the provisions of this Protocol may be refused the issue of import authorizations or documents by the competent Community authorities. However, without prejudice to Article 7 of the Agreement, if the import of such products are allowed into the Community by the competent Community authorities the quantities involved shall not be set off against the appropriate quantitative limits or consultation levels set out in Annex II and in Annex III or established as a result of the application of Articles 3 and 6 of the Agreement, without the express agreement of the USSR.
TITLE IV

Form and Production of Export Licences and Certificates of Origin, and Common Provisions

Article 14

1. The export licence and the certificate of origin may comprise additional copies duly indicated as such. They shall be made out in English or French. If they are completed by hand, entries must be in ink and in printscript.

These documents shall measure 210 x 297 mm. The paper used must be white writing paper, sized, not containing mechanical pulp and weighing not less than 25 g./m². Each part shall have a printed guilloche-pattern background making any falsification by mechanical or chemical means apparent to the eye.

If the documents have several copies only the top copy which is the original shall be printed with the guilloche-pattern background. This copy shall be clearly marked as "original" and the other copies as "copies". Only the original shall be accepted by the competent authorities in the Community as being valid for the purpose of export to the Community in accordance with the arrangements established by the Agreement.

2. Each document shall bear a standardized serial number, whether or not printed, by which it can be identified.

This number shall be composed of the following elements:

- two letters identifying the USSR as follows: SU
- two letters identifying Member State of destination as follows:
  
  BL = Benelux  
  DK = Denmark  
  DE = Federal Republic of Germany  
  EL = Greece  
  ES = Spain  
  FR = France  
  GB = United Kingdom  
  IE = Ireland  
  IT = Italy  
  PT = Portugal

- a one-digit number identifying quota year, corresponding to the last figure in the respective Agreement year, e.g. 0 for 1990;
- a two-digit number identifying the particular issuing office concerned in the USSR;
- a five-digit number running consecutively from 00001 to 99999 allocated to the respective Member State of destination.

**Article 15**

The export licence and certificate of origin may be issued after the shipment of the products to which they relate. In such cases they shall bear either the endorsement "délivré a posteriori" or the endorsement "issued retrospectively".

**Article 16**

1. In the event of theft, loss or destruction of an export licence or a certificate of origin, the exporter may apply to the competent USSR authorities or to the competent USSR organizations authorized under USSR legislation which issued the document for a duplication to be made out on the basis of the export documents in his possession. The duplicate of any such certificate or licence so issued shall bear the endorsement "duplicate".

2. The duplicate must bear the date of the original export licence or certificate of origin.
TITLE V

Administrative Co-operation

Article 17

The Community and the USSR shall co-operate closely to implement the provisions of the Agreement. To this end, contacts and exchanges of views (including on technical matters) shall be facilitated by the contracting parties.

Article 18

In order to ensure the proper application of the Agreement, the Community and the USSR shall assist each other in checking the authenticity and accuracy of export licences and certificates of origin issued or declaration made under this Protocol.

Article 19

The USSR shall send the Commission of the European Communities the names and addresses of the competent USSR authorities or of the competent USSR organizations authorized under USSR legislation to issue and to verify export licences and certificates of origin together with specimens of the stamps and signatures used by these authorities or organizations. The USSR shall also notify the Commission of any change in this information.

Article 20

1. Subsequent verification of certificates of origin or export licences shall be carried out at random, or whenever the competent Community authorities have reasonable doubt as to the authenticity of the certificate or licence or as to the accuracy of the information regarding the products in question.

2. In such cases the competent authorities in the Community shall return the certificate of origin or export licence or a copy thereof to the competent USSR organizations authorized under USSR legislation or to the competent USSR authorities giving, where appropriate, the reasons of form or substance for an enquiry. If the invoice has been submitted, such invoice or a copy thereof shall be attached to the certificate or licence or its copy. The authorities shall also forward any information that has been obtained suggesting that the particulars given on the said certificate or licence are inaccurate.
3. The provisions of paragraph 1 above shall be applicable to subsequent verifications of the declarations of origin referred to in Article 2 of this Protocol.

4. The results of the subsequent verifications carried out in accordance with paragraphs 1 and 2 above shall be communicated to the competent authorities of the Community within three months at the latest. The information communicated shall indicate whether the disputed certificate or licence or declaration applies to the goods actually exported and whether these goods are eligible for export in accordance with the arrangements established by the Agreement. The information shall also include, at the request of the Community, copies of all documentation necessary to determine the facts fully and in particular the true origin of the goods.

Should such verifications reveal systematic irregularities in the use of declarations of origin, the Community may subject imports of the products in question to the provisions of Article 2(1) of this Protocol.

5. For the purpose of subsequent verification of certificates of origin, copies of the certificates as well as any export documents referring to them shall be kept for at least a period of two years by the competent USSR organizations authorized under USSR legislation.

6. Recourse to the random verification procedure specified in this Article must not constitute an obstacle to the release for home use of the products in question.
Annex to Protocol A, Article 2(1)

<table>
<thead>
<tr>
<th>Exporter (name, full address, country)</th>
<th>Exportateur (nom, adresse complète, pays)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Quota year</td>
<td>Année contingentaire</td>
</tr>
<tr>
<td>4 Category number</td>
<td>Numéro de catégorie</td>
</tr>
<tr>
<td>5 Consignee (name, full address, country)</td>
<td>Destinataire (nom, adresse complète, pays)</td>
</tr>
<tr>
<td>6 Country of origin</td>
<td>Pays d'origine</td>
</tr>
<tr>
<td>7 Country of destination</td>
<td>Pays de destination</td>
</tr>
<tr>
<td>8 Place and date of shipment</td>
<td>Lieu et date d'embarquement</td>
</tr>
<tr>
<td>(Means of transport)</td>
<td>(Moyen de transport)</td>
</tr>
<tr>
<td>9 Supplementary details</td>
<td>Données supplémentaires</td>
</tr>
<tr>
<td>10 Marks and numbers - Number and kind of packages</td>
<td>Quantité</td>
</tr>
<tr>
<td>(DESCRIPTION OF GOODS)</td>
<td>Valeur fob</td>
</tr>
<tr>
<td>(DÉSIGNATION DES MARCHANDISES)</td>
<td></td>
</tr>
<tr>
<td>11 Quantity</td>
<td></td>
</tr>
<tr>
<td>12 FOB value</td>
<td></td>
</tr>
</tbody>
</table>

CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITÉ COMPÉTENTE

1, the undersigned, certify that the goods described above originated in the country shown in box No. 6 in accordance with the provisions in force in the European Economic Community.

Je soussigné certifie que les marchandises désignées ci-dessus sont originaires du pays figurant dans la case 6, conformément aux dispositions en vigueur dans la Communauté économique européenne.

Competent authority (name, full address, country)
Autorité compétente (nom, adresse complète, pays)
<table>
<thead>
<tr>
<th>No</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Exporter (name, full address, country) Exportateur (nom, adresse complète, pays)</td>
</tr>
<tr>
<td>2</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>Quota year Année contingente</td>
</tr>
<tr>
<td>4</td>
<td>Category number Numéro de catégorie</td>
</tr>
<tr>
<td>5</td>
<td>Consignee (name, full address, country) Destinataire (nom, adresse complète, pays)</td>
</tr>
<tr>
<td>6</td>
<td>Country of origin Pays d'origine</td>
</tr>
<tr>
<td>7</td>
<td>Country of destination Pays de destination</td>
</tr>
<tr>
<td>8</td>
<td>Place and date of shipment Lieu et date d'embarquement</td>
</tr>
<tr>
<td>9</td>
<td>Supplementary details Données supplémentaires</td>
</tr>
<tr>
<td>10</td>
<td>Marks and numbers - Number and kind of packages Marques et numéros - Nombre et nature des colis</td>
</tr>
<tr>
<td>11</td>
<td>Quantity 1</td>
</tr>
<tr>
<td>12</td>
<td>FOB value 2</td>
</tr>
</tbody>
</table>

**13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITÉ COMPÉTENTE**

I, the undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No. 3 in respect of the category shown in box No. 4 by the provisions regulating trade in textile products with the European Economic Community.

Je soussigné certifie que les marchandises désignées ci-dessus ont été imputées sur la limite quantitative fixée pour l'année indiquée dans la case 3 pour la catégorie désignée dans la case 4 dans le cadre des dispositions régissant les échanges de produits textiles avec la Communauté économique européenne.

**14 Competent authority (name, full address, country) Autorité compétente (nom, adresse complète, pays)** At - A on - le

---

1. Show net weight (kg.) and also quantity in the unit prescribed for category where other than net weight - Indiquer le poids net en kilogrammes ainsi que la quantité dans l'unité prévue pour la catégorie si cette unité n'est pas le poids net.

2. The currency of the sale contract - Dans la monnaie du contrat de vente.
1. The exemption provided for in Article 4(3) of the Agreement in respect of cottage industry products shall apply only to the following products:

(a) fabrics woven on hand or foot-operated looms, being fabrics of a kind traditionally made in the cottage industry of the USSR;

(b) garments or other textile articles of a kind traditionally made in the cottage industry of the USSR obtained manually from the fabrics referred to above and sewn exclusively by hand without the aid of any machine;

(c) traditional folklore textile products made by hand in the cottage industry of the USSR as defined in a list to be agreed between the contracting parties.

Exemption shall be granted only for products accompanied by a certificate issued by the competent USSR organizations authorized under USSR legislation in accordance with the model annexed to this Protocol. Such certificates must state the grounds on which exemption is based and shall be accepted by the competent Community authorities provided that they are satisfied that the products concerned conform to the conditions set out in this Protocol. Certificates for the products referred to in paragraph (c) must be clearly marked "FOLKLORE". In the event of a difference of opinion between the USSR and the competent Community authorities at the point of entry into the Community concerning the nature of products, consultation shall be held within a month in order to settle the difference. Should imports of any of the above products reach such proportions as to cause difficulties to the Community, the contracting parties shall open consultations forthwith in accordance with the procedure laid down in Article 14 of the Agreement with a view to finding a quantitative solution to the problem.

2. The provisions of Titles IV and V of Protocol A shall be applied mutatis mutandis to the products referred to in paragraph 1.
### Annex to Protocol B

<table>
<thead>
<tr>
<th>Annex to Protocol B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Exporter (name, full address, country)</td>
</tr>
<tr>
<td>Exportateur (nom, adresse complète, pays)</td>
</tr>
<tr>
<td><strong>ORIGINAL</strong></td>
</tr>
<tr>
<td>CERTIFICATE in regard to HANDLOOMS, TEXTILE HANDICRAFTS and TRADITIONAL TEXTILE PRODUCTS, OF THE COTTAGE INDUSTRY, issued in conformity with and under the conditions regulating trade in textile products with the European Economic Community</td>
</tr>
<tr>
<td>CERTIFICAT relatif aux TISSUS TISSES SUR METIERS À MAIN, aux PRODUITS TEXTILES FAITS À LA MAIN, et aux PRODUITS TEXTILES RELEVANT DU FOLKLORE TRADITIONNEL, DE FABRICATION ARTISANALE, délivré en conformité avec et sous les conditions régissant les échanges de produits textiles avec la Communauté économique européenne</td>
</tr>
<tr>
<td>3 Consignee (name, full address, country)</td>
</tr>
<tr>
<td>Destinataire (nom, adresse complète, pays)</td>
</tr>
<tr>
<td><strong>ORIGINAL</strong></td>
</tr>
<tr>
<td><strong>4 Country of origin</strong></td>
</tr>
<tr>
<td>Pays d'origine</td>
</tr>
<tr>
<td>6 Place and date of shipment</td>
</tr>
<tr>
<td>(Means of transport)</td>
</tr>
<tr>
<td>Lieu et date d'embarquement</td>
</tr>
<tr>
<td>(Moyen de transport)</td>
</tr>
<tr>
<td>8 Marks and numbers - Number and kind of packages (DESCRIPTION OF GOODS)</td>
</tr>
<tr>
<td>Marques et numéros - Nombre et nature des colis (DÉSIGNATION DES MARCHANDISES)</td>
</tr>
<tr>
<td><strong>CONSIGNMENT</strong></td>
</tr>
<tr>
<td>9 Quantity</td>
</tr>
<tr>
<td>Quantité</td>
</tr>
<tr>
<td>11 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITÉ COMPÉTENTE</td>
</tr>
<tr>
<td>I, the undersigned certify that the consignment described above includes only the following textile products of the cottage industry of the country shown in box No. 4:</td>
</tr>
<tr>
<td>a) fabrics woven on looms operated solely by hand or foot (handlooms)</td>
</tr>
<tr>
<td>b) garments or articles obtained manually from the fabrics described under a) and sewn solely by hand without the aid of any machine (handicrafts)</td>
</tr>
<tr>
<td>c) traditional folklore handicraft textile products made by hand, as defined in the list agreed between the European Economic Community and the country shown in box No. 4</td>
</tr>
</tbody>
</table>

| 12 Competent authority (name, full address, country) | 11 The currency of the sale contract - Dans la monnaie du contrat de vente |
| Autorité compétente (nom, adresse complète, pays) | **CONSIGNMENT** |
| At - A | le |
| on - le | |

1. The currency of the sale contract - Dans la monnaie du contrat de vente
2. Delete as appropriate - Biffer la (les) mention(s) inutile(s)
PROTOCOL C

Under Article 6(6) of the Agreement, a quantitative limit may be fixed on a regional basis where imports of a given product into any region of the Community in relation to the amounts determined in accordance with paragraph 2 of the said Article 6 exceed the following regional percentage:

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>25.5%</td>
</tr>
<tr>
<td>Benelux</td>
<td>9.5%</td>
</tr>
<tr>
<td>France</td>
<td>16.5%</td>
</tr>
<tr>
<td>Italy</td>
<td>13.5%</td>
</tr>
<tr>
<td>Denmark</td>
<td>2.7%</td>
</tr>
<tr>
<td>Ireland</td>
<td>0.8%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>21.0%</td>
</tr>
<tr>
<td>Greece</td>
<td>1.5%</td>
</tr>
<tr>
<td>Spain</td>
<td>7.5%</td>
</tr>
<tr>
<td>Portugal</td>
<td>1.5%</td>
</tr>
</tbody>
</table>
PROTOCOL D

Reimports in the sense of Article 4 paragraph 4 of this Agreement into the Community of products listed in the Annex to this Protocol shall be subject to the provisions of the Agreement except as specifically provided for by the particular provisions set out below:

1. Only reimports into the Community subject to the specific quantitative limits set out in the Annex to this Protocol, as may be modified by the application of paragraphs 2 and 3, shall be considered reimports in the sense of Article 4, paragraph 4.

2. Reimports not covered by the Annex to this Protocol may be submitted to specific quantitative limits following consultations in accordance with the procedures set out in Article 13 of the Agreement, provided the products concerned are subject to the quantitative limits established under Annex II or the consultation levels established under Annex III to the Agreement.

3. The Community may, at its own discretion, and bearing in mind the interest of both contracting parties, or in the framework of a request set out in Article 18 of the Agreement:

   (a) examine the possibilities of transfers between categories and advance use or carry-over of portions of specific quantitative limits from one year to another;

   (b) consider the scope for reallocating portions of any specific quantitative limits not used in one region of the Community to another region.

4. However the Community may automatically carry out the flexibilities in the sense of paragraph 3 up to the following extent:
Agreed Minute

In the context of the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989, the Contracting Parties agreed that the USSR, with regard to Article 2 paragraph 2 of the Agreement, in administering the quantitative limits shall ensure the following.

As regards the categories 1, 2, 2a and 3, to reserve for the year 1990, as a priority, 30 per cent of the quantitative limits concerned for industry users during a period beginning on 1 January and ending on 20 March. For this purpose, contracts concluded with the industry during the period in question shall be taken into consideration.

To this end, the firms concerned are invited to make direct contact with the relevant USSR enterprises as early as possible during the above reservation period, in order to make their purchasing intentions known.

Head of the Delegation of the European Economic Community

Head of the Delegation of the Union of Socialist Soviet Republics
(a) transfer between categories up to 20 per cent of the share established for the category to which the transfer is made;

(b) carry-over of specific quantitative limits from one year to another up to 10.5 per cent of the share for the year of actual utilization;

(c) advance use of specific quantitative limits from one year to another up to 7.5 per cent of the share for the year of actual utilization.

5. The Community shall inform the USSR of any measures taken pursuant to the preceding paragraphs.

6. Debiting against a specific quantitative limit referred to in paragraph 1 shall be carried out by the competent authorities of the Community at the time of issuing the prior authorization provided for by the Community regulation on economic outward processing, Regulation (EEC) No. 636/82. A specific quantitative limit shall be debited for the year in which a prior authorization is issued.

7. A certificate of origin shall be issued to all products covered by the present Protocol by the competent USSR organizations authorized under USSR legislation in accordance with the provisions of Protocol A of the Agreement, bearing a reference to the prior authorization referred to in paragraph 6 as evidence that the processing operation described in the prior authorization has been carried out in the USSR.

8. The Community shall provide the USSR with the names, addresses and the specimens of stamps used by the competent authorities of the Community for the issue of the prior authorizations referred to in paragraph 6.

9. Notwithstanding the provisions of paragraphs 1 to 8 above, the USSR and the Community will continue to consult together to seek a mutually acceptable means to enable both contracting parties to take advantage of the OPT provisions in the Agreement with a view to effective development of trade in textiles between the USSR and the Community.
# ANNEX TO PROTOCOL D

## OPT Quantitative Limits

(In this Annex the Product Descriptions used in Annex I are given in Abbreviation Form)

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Units</th>
<th>Year</th>
<th>Quantitative Limits EEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Blouses and shirt-blouses</td>
<td>1,000 pieces</td>
<td>1990</td>
<td>400</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1991</td>
<td>427</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1992</td>
<td>456</td>
</tr>
<tr>
<td>21</td>
<td>Parkas, anoraks and the like, woven</td>
<td>1,000 pieces</td>
<td>1990</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1991</td>
<td>320</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1992</td>
<td>342</td>
</tr>
<tr>
<td>29</td>
<td>Women's or girls' suits and ensembles</td>
<td>1,000 pieces</td>
<td>1990</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1991</td>
<td>107</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1992</td>
<td>114</td>
</tr>
<tr>
<td>73</td>
<td>Track suits</td>
<td>1,000 pieces</td>
<td>1990</td>
<td>150</td>
</tr>
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<td></td>
<td>1991</td>
<td>160</td>
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<td></td>
<td></td>
<td></td>
<td>1992</td>
<td>171</td>
</tr>
</tbody>
</table>
Agreed Minute

In the context of the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989, the USSR expressed its concern over the possibility of the Community taking unilateral action in accordance with Article 7, paragraph 4, of the Agreement.

The Community took note and expressed the view that in the event of the need arising for recourse to Article 7, the Community will explore with the USSR all possible avenues for arriving at a mutually satisfactory solution.

Head of the Delegation of the European Economic Community

Head of the Delegation of the Union of Socialist Soviet Republics
Agreed Minute

The Community and the USSR agree that the provisions of Article 11, paragraph 2, of the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989 will be applied in a way which will not deprive certain Member States with relatively small shares of Community quotas (Denmark, Ireland and Greece) of imports of products serving as inputs for their processing industry.

The Community and the USSR further agree to hold consultations, should the need arise, in order to avert any problems which might occur in this respect.

Head of the Delegation of the European Economic Community

Head of the Delegation of the Union of Socialist Soviet Republics
Agreed Minute

In the context of the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989, the USSR informed the Community that it is introducing a new foreign trade statistical system projected to take effect on 1 January 1991, and for this reason it expressed its serious concern over its ability to comply technically with its obligation to supply the Community, notably during 1990, with import statistics for all products covered by Annex I, referred to in Article 15, paragraph 4, of the Agreement.

The Community took note of the concern expressed by USSR. The Community and the USSR agreed to hold consultations, should the need arise, in order to avert any problems which might occur in this respect.

Head of the Delegation of the European Economic Community
Head of the Delegation of the Union of Socialist Soviet Republics
Agreed Minute

In the context of the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989, the USSR expressed its concern over the effective implementation of the Provisions of Protocols A, B and D of the Agreement as from 1 January 1990.

The Community took note and expressed its readiness for prompt and close technical co-operation with the USSR, in order to assist the USSR to comply efficiently and correctly with the Provisions of Protocols A, B and D and with a view to avoid any technical problems which might occur in this respect.

Head of the Delegation of the European Economic Community

Head of the Delegation of the Union of Socialist Soviet Republics
Agreed Minute

In the context of the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989, the contracting parties agreed that, with regard to Article 9 of Protocol A of the above Agreement, the date of shipment of the goods, where different means of transport are used to effect the exportation, is the date of their loading on the first means of transport used as indicated in the corresponding transport document.

Head of the Delegation of the European Economic Community

Head of the Delegation of the Union of Socialist Soviet Republics
AGREEMENT

IN THE FORM OF AN EXCHANGE OF LETTERS

BETWEEN

THE EUROPEAN ECONOMIC COMMUNITY

AND

THE UNION OF SOCIALIST SOVIET REPUBLICS
Sir,

I have the honour to refer to the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989.

Following the negotiations for the said Agreement the contracting parties have agreed on the following provisions concerning trade in certain textile products falling within the textile categories other than categories 1 to 123 provided for in Regulation (EEC) No. 3420/83, as amended.

During the period of application of the above-mentioned Agreement and without prejudice to the provisions of the Agreement between the European Economic Community and the European Atomic Energy Community and the Union of Socialist Soviet Republics on trade and commercial and economic co-operation initialled on 26 November 1989, with regard to the above categories of products, the Community reserves its right to request that the contracting parties enter into consultations in accordance with Article 18 of the above-mentioned Agreement on trade in textile products with a view to bringing within the coverage and the provisions of that Agreement certain of the textile product categories mentioned above and with a view to negotiating import arrangements into the Community for such categories of products.

I shall be obliged if you would confirm that the foregoing is in accordance with the conclusions reached following the negotiations on this question between the European Economic Community and the Union of Socialist Soviet Republics, and that this exchange of letters constitutes an agreement between the European Economic Community and the Union of Socialist Soviet Republics.

Brussels, 11 December 1989

Head of the Delegation of the European Economic Community
Sir,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows:

"I have the honour to refer to the Agreement between the European Economic Community and the Union of Socialist Soviet Republics on trade in textile products initialled on 11 December 1989. Following the negotiations for the said Agreement the contracting parties have agreed on the following provisions concerning trade in certain textile products falling within the textile categories other than categories 1 to 123 provided for in Regulation (EEC) No. 32420/83, as amended.

During the period of application of the above-mentioned Agreement and without prejudice to the provisions of the Agreement between the European Economic Community and the European Atomic Energy Community and the Union of Socialist Soviet Republics on trade and commercial and economic co-operation initialled on 26 November 1989 with regard to the above categories of products, the Community reserves its right to request that the contracting parties enter into consultations in accordance with Article 18 of the above-mentioned Agreement on trade in textile products with a view to bringing within the coverage and the provisions of that Agreement certain of the textile product categories mentioned above and with a view to negotiating import arrangements into the Community for such categories of products.

I shall be obliged if you would confirm that the foregoing is in accordance with the conclusions reached following the negotiations on this question between the European Economic Community and the Union of Socialist Soviet Republics, and that this exchange of letters constitutes an agreement between the European Economic Community and the Union of Socialist Soviet Republics."

I have the honour to inform the European Economic Community that my Government confirms that the foregoing is in accordance with the conclusion reached following the negotiations on this question between the Union of Socialist Soviet Republics and the European Economic Community and that this exchange of letters constitutes as agreement between the Union of Socialist Soviet Republics and the European Economic Community.

Please accept, Sir, the assurance of my highest consideration.

Brussels, 11 December 1989

Head of the Delegation of the Union of Socialist Soviet Republics