ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notification

Amendment to Agreement Between the EEC and Hong Kong

The Textiles Surveillance Body has received from the EEC a notification of an amendment to the bilateral agreement concluded under Article 4 of the Arrangement between the EEC and Hong Kong. The amendment covers imports of a certain textile product into the market of the Community constituted by the Federal Republic of Germany.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4, has examined the relevant documentation and is circulating the text of this amendment to participating countries for their information.

\[^1\]For details of bilateral agreement see COM.TEX/SB/176.

\[^2\]See COM.TEX/SB/35, Annex B.
AGREED MINUTE

1. At the request of the Commission of the European Communities (Note Verbales 4133 of 14 July 1977 and Note Verbele 4331 of 26 July 1977) consultations were held in Brussels on 8 September 1977 under Article 4 of the Agreement between the European Economic Community and Hong Kong on trade in textile products.

2. As a result of the consultations, the two delegations agreed to recommend to their respective authorities the following arrangement:

   (a) Hong Kong shall limit its exports of brassieres to the market of the Community constituted by the Federal Republic of Germany during the period 1 September-31 December 1977 to a level of 2.1 million pieces.

   (b) This item shall be restrained as a separate category.

   (c) The Community will admit imports of brassieres to the market of the Federal Republic of Germany in respect of which export authorizations had been issued by Hong Kong on or before 27 July 1977. Such imports shall not be counted against the quantitative limit established under (a).

   (d) The flexibility provisions of Article V of the said Agreement shall be applicable up to the quantitative limit established under (a). The maximum percentage movement allowable under paragraph 1(b)(ii) of this Article shall be 7 per cent at a conversion rate for brassieres of 17.50 pieces per kg.

   (e) The provisions of Article 8 of the said Agreement shall be applicable to the quantitative limits referred to under (a).

3. Hong Kong exports of brassieres and briefs and drawers to France, and brassieres to the Benelux.

   The consultation on these items did not result in a mutually acceptable conclusion. The Hong Kong delegation informed the Community that it would resume and continue the issue of export authorizations in respect of these items and undertook to abide by the provisions of Article 4.7 (ii) of the Agreement. The Community delegation maintained the view that Hong Kong imports contributed to a situation of market disruption in the regions of the Community concerned. Both delegations reserved the positions of their respective authorities.