ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4(4)

Modification to the Agreement between the EEC and Indonesia

The TSB has received from the Commission of the European Communities a notification concerning the introduction of agreed limitations on exports of Categories 6 (trousers), 7 (blouses) and 8 (shirts) from Indonesia to the United Kingdom, for the years 1981 and 1982.1/

The TSB, following its procedure regarding bilateral agreements notified under Article 4(4), has examined the relevant documentation and is circulating the text of this modification to participating countries for their information.2/

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1/ For original agreement and previous modifications, see COM.TEX/SB/419, 611 and 679.

2/ See COM.TEX/SB/35, Annex B.

3/ The TSB's discussion of this question is contained in documents COM.TEX/SB/626, 632, 645, 647, 664 and 682.
AGREED MINUTE

I. Representatives of the Republic of Indonesia and of the European Economic Community last met on 30 January 1981 in Brussels to resume consultations in accordance with Article 4 and 5 of the Agreement on trade in textiles between the Community and Indonesia signed on 4 September 1979.

As a result of these consultations and further contacts in February 1981 between both parties, Indonesia agreed to limit its exports of trousers, blouses and shirts to the Community's region of the United Kingdom to the following annual levels:

<table>
<thead>
<tr>
<th>Category</th>
<th>Nimex Code</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 6</td>
<td>61.01-62; 64; 66; 72; 74; 76; 61.02-66; 68; 72</td>
<td>700 000 pieces</td>
<td>728 000 pieces (includes growth rate of 4%)</td>
</tr>
<tr>
<td>Category 7</td>
<td>60.06-22; 23; 24; 25; 61.02-78; 82; 84</td>
<td>500 000 pieces</td>
<td>520 000 pieces (includes growth rate of 4%)</td>
</tr>
<tr>
<td>Category 8</td>
<td>61.03-11; 15; 19</td>
<td>800 000 pieces</td>
<td>832 000 pieces (includes growth rate of 4%)</td>
</tr>
</tbody>
</table>

It was further understood that the provisions of the double checking system - as established in the Annex of the Agreed Minutes of 5 February 1980 and of 3 October 1980 and completed in the attached Annex to this Agreed Minute - shall continue to apply to exports of trousers, blouses and shirts (Cat. 6, 7 and 8) from Indonesia to the United Kingdom. It is also understood that all exports falling under these categories (6, 7 and 8) shipped from Indonesia after 1 January 1981 will be debited against the restraint levels set for the year 1981.
II. Imports into the Community of this product would not be subject to the quantitative limit, provided that they were declared to be for re-export outside the Community in the same state or after processing, under the administrative system of control set up for this purpose within the Community.

However, the release for home use of products imported under the conditions referred to above would be subject to the production of an export certificate issued by the Indonesian authorities, and to proof of origin in accordance with the provisions of Protocol A of the Bilateral Agreement.

Where the authorities in the Community found that imports of textile products had been set off against a quantitative limit, but that the products had subsequently been re-exported outside the Community, the authorities concerned would inform the Indonesian authorities within four weeks of the quantities involved and authorize imports of identical quantities of the same products, which would not be set off against the quantitative limit for the current or the following year.

III. a) Indonesia undertook to supply the Community with precise statistical information on all export certificates issued by the Indonesian authorities.

b) The Community would likewise transmit to the Indonesian authorities precise statistical information on import authorizations or documents issued by the Community authorities.

c) The information referred to above would be transmitted before the end of the second month following the quarter to which the statistics relate.

d) Should it be found on analysis of the information exchanged that there were significant discrepancies between the returns for exports and those for imports, consultations could be initiated in accordance with the procedure specified in Article 6 of the Bilateral Agreement.

IV. 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% 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. Carryover to the corresponding quantitative limit for the following Agreement year of amounts not used during any Agreement year is authorized up to 5% of the quantitative limit for the current Agreement year.
3. Transfers between Categories 6, 7 and 8 may be effected up to 5% 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 the 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 15%.

6. Prior notification would be given by the authorities of Indonesia in the event of recourse to these provisions.

V. The provisions concerning Certificates of Origin contained in Articles 2 – 6 inclusive of Protocol A of the bilateral Agreement shall apply mutatis mutandis to Export Licences.

Brussels, 2 March 1981

[Signatures]
ANNEX TO AGREED MINUTE BETWEEN INDONESIA AND THE EUROPEAN ECONOMIC COMMUNITY DATED 2 MARCH 1981

Double-Checking System

Section I: Exportation

1. The competent authorities of Indonesia shall issue an export licence in respect of all consignments from Indonesia of the products subject to quantitative limit, up to the relevant quantitative limits as may be modified by the agreed minute.

2. The export licence shall conform to the model attached to this Annex. It must certify, inter alia, that the quantity of the product in question has been set off against the prescribed quantitative limit.

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

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

Section II: Importation

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

6. The competent Community authorities shall issue such import authorization or document automatically within five working days of the presentation by the importer of a certified copy of the corresponding export certificate. The import authorization or document shall be valid for six months.
7. a) If the competent Community authorities find that the total quantities covered by export certificates issued by Indonesia in any year exceed the quantitative limit, the said authorities may suspend the further issue of import authorizations or documents. In this event, the competent Community authorities shall immediately inform the authorities of Indonesia and the consultation procedure, set out in Article 4 of the Agreement, shall be initiated forthwith.

b) Exports of Indonesian origin not covered by Indonesian licences issued in accordance with the provisions of this Annex may be refused the issue of import authorizations or documents by the competent Community authorities. However, if the imports of such products are allowed into the Community by the competent Community authorities, the quantities involved shall not be set off against the appropriate limit without the express agreement of Indonesia.
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Textile products, but exclude country</td>
</tr>
<tr>
<td>7</td>
<td>Country of origin</td>
</tr>
<tr>
<td>8</td>
<td>Place and date of shipment - Means of transport</td>
</tr>
<tr>
<td>9</td>
<td>Supplementary details</td>
</tr>
<tr>
<td>10</td>
<td>Mark and number - Number and kind of packages - DESCRIPTION OF GOODS</td>
</tr>
<tr>
<td>11</td>
<td>Quantity (1)</td>
</tr>
<tr>
<td>12</td>
<td>FOB Value (2)</td>
</tr>
</tbody>
</table>

**Certificate of Competent Authority** - Visa de l'Autorité Compétente

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 pressures regulating trade in textile products with the European Economic Community.

Je déclare que les marchandises ci-dessus ont été imputées sur la limite quantitative fixe pour l'année indiquée dans le cas No 3 pour la catégorie des marchandises du cas No 4 dans le cadre des dispositions régissant les échanges de produits textiles avec la Communauté Economique Européenne.

14 Competent authority name and address, country

Autorité compétente (nom, adresse, pays)