The Textiles Surveillance Body has received from Austria a notification of a new bilateral agreement with Macao, concluded under Article 4 of the Arrangement, valid for the period 1 March 1981 to 31 December 1983.1/

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 42/, has examined the relevant documentation and is transmitting the text of this notification to participating countries.3

1/ An existing agreement with Macao covering woven shirts of cotton or discontinuous synthetic fibres, is contained in COM.TEX/SB/359. These products will be included in this new agreement with effect from 1 January 1982.

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

3 For the TSB's observation on this agreement, see COM.TEX/SB/703, paragraphs 7 - 10.
Vienna, 13 February, 1981

Excellency,

1. I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT), done at Geneva on 20 December 1973, in particular its paragraph 4 and to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 14 December 1977.

2. I further wish to refer to the consultations which took place between representatives of Austria and Macao on 12 and 13 February 1981 in Vienna.
   As a result of these consultations Austria and Macao have reached the following understanding.

3. Macao shall restrict exports to Austria of the textile products listed in the Annex to the levels set out in that Annex.

4. Upon presentation of certificates of origin (Certificados de Origem), issued by the Repartição Provincial dos Serviços de Economia de Macau, with an endorsement that the consignment has been debited to the respective export level, the competent Austrian authority will license the corresponding imports within and up to the agreed export levels.

5. Certificates of origin mentioned in paragraph 4 above shall cease to be valid after the expiration of 6 months after the end of the restraint period.

6. Transfers (swing) between categories 2 and 3 of the Annex to this agreement may be made, after consultations between Austria and Macao, up to an amount of 5 per cent of the export limits for each of the receiving categories 2 and 3, provided that a corresponding reduction is applied in the export limits from which the transfer is made.

7. For the products mentioned in the Annex carry-over and carry-forward taken together shall not exceed 10 per cent of which carry forward shall not represent more than 5 per cent.
8. Macao will provide Austria with information in respect of exports of the products listed in the Annex to Austria, showing the names of the exporters, the numbers and dates of certificates of origin issued, the dates of shipments as well as the quantities of the products covered by these certificates of origin. This will be done by airmail on a monthly basis within the first fifteen days of the following the issuance.

9. Austria will provide Macao with statistics on a monthly and cumulative basis of import licences issued in accordance with paragraph 4 above.

10. In respect of woven undergarments of synthetic fibres, women's, girl's and infants wear, CCCN.No.ex 61.04, the competent Austrian authority will upon presentation of certificates of origin (Certificados de Origem) issued by the Repartição Provincial dos Serviços de Economia de Macau automatically issue import licences and will provide Macao with informations concerning such import licences on an monthly basis.

Should imports of the above mentioned products from Macao to Austria develop in such a manner which, in the view of Austria, causes real risks of market disruption, Austria may request consultations with a view to reaching a restraint agreement on mutually acceptable terms.

11. Consultations regarding the conduct of exports of the products listed in the Annex will be held if so desired by either party.
If this proposal is acceptable to Macao, this note and your note of confirmation of Macao shall constitute an arrangement between Austria and Macao.

Accept, Excellency, the assurances of my highest consideration.

Dr. Gerhard Waas m.p.
Head of Austrian Delegation

His Excellency
Mr. José Luis de Jesus
Secretário-Adjunto para Coordenação Económica
Head of Delegation of Macao
## ANNEX

### Description of products

<table>
<thead>
<tr>
<th>Description of products</th>
<th>Periods and levels of limitation (in pieces)</th>
<th>Conversion factor for swing purposes (pieces per kilogramm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slacks, shorts, jeans, trousers and divided skirts, not knitted or crocheted, wholly or mainly of cotton, CCCN.No. ex 61.01, ex 61.02</td>
<td>1 March 1981 to 1 January 1982 to 1 January 1983</td>
<td><em>Conversion factor for swing purposes (pieces per kilogramm)</em></td>
</tr>
<tr>
<td>Woven blouses of man-made fibres or of cotton, CCCN.No. ex 61.02</td>
<td>276.666**</td>
<td>338.640 345.413 5.00</td>
</tr>
<tr>
<td>Woven shirts, wholly or mainly of discontinuous synthetic fibres or of cotton, CCCN.No. ex 61.03</td>
<td>218.378 219.470 5.00</td>
<td></td>
</tr>
</tbody>
</table>

*) This corresponds to a notional twelve month limit of 280,000 pieces.

**) This corresponds to a notional twelve month limit of 332,000 pieces.
Vienna, 13 February 1981

Sir,

I have the honour to acknowledge receipt of your letter dated 13 February 1981, regarding the understanding reached between Macao and Austria on the trade in certain textiles.

I should like to confirm that the content of your letter correctly sets out the understanding reached between our delegations during the consultations on 12 and 13 February 1981 in Vienna.

Accept, Sir, the assurances of my highest consideration.

José Luis de Jesus m.p.
Secretário-Adjunto para Coordenação Econimica
Head of Delegation of Macao

Dr. Gerhard Waas
Director
Head of Austrian Delegation

Vienna
RECORD OF UNDERSTANDING

1. With respect to the products falling in category 1 and 2 of the agreement concluded between Austria and Macao on 13 February 1981, Macao will begin to issue the certificates of origin mentioned in paragraph 4 of the aforementioned agreement on 14 February 1981.

2. In order to avoid hardship to the trade in the products specified under category 1 and 2 in the Annex of the above-mentioned agreement between Austria and Macao, shipments made before 14 February 1981 will be admitted by Austria outside the agreed export limits without certificates of origin as defined in paragraph 1 above, provided that these exports are based on contracts entered into by Austrian importers prior to 14 February 1981 and that customs clearance in Austria is effected on 14 April 1981 at the latest.

Vienna, 14 February 1981

For Austria

Dr. Gerhard Waas m.p.
Head of Delegation of Austria

For Macao

José Luís de Jesus m.p.
Head of Delegation of Macao