ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Agreement between Finland and Romania

The Textiles Surveillance Body has received from Finland a notification of a new bilateral agreement with Romania, concluded under Article 4 of the MFA, and valid for the period 1 April 1981 to 31 December 1982.1/

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 agreement to participating countries for their information.2/

1/ The observations made by the TSB on this new agreement are contained in COM.TEX/SB/710, paragraph 17.

2/ See COM.TEX/SB/35, Annex B.
MEMORANDUM OF UNDERSTANDING

During the consultations held in Helsinki on 9—13th February, 1981 between a delegation from Finland and a delegation from Romania, having regard to the Arrangement Regarding International Trade in Textiles, in particular Articles 1 and 4 and to the Protocol extending the said Arrangement, and having regard to Romania’s status of a developing country agreement was reached as follows:

1. The following arrangements shall apply for the period from 1st April 1981 to 31st December 1982.

2. The Socialist Republic of Romania will authorize exports into Finland of textile products included in Annex I, originating in and consigned from Romania up to the levels mentioned in that Annex.

3. Finland will for the purpose of the present arrangement admit imports of the textile products of Romanian origin set out in Annex I to the agreed limits provided that such imports into Finland are covered by an expert licence and a certificate of origin, as per specimen at Annex II, issued by the Romanian authorities listed at
Annex III. The export licence shall bear an endorsement by competent officials to the effect that the consignment concerned has been debited to the agreed levels for exports to Finland for the relevant period. The date of shipment indicated on the shipping documents shall be considered to be the date of exportation.

The Government of Finland will inform the Romanian authorities when imports into Finland of the textile products that have been debited to the agreed limits are subsequently re-exported from Finland. Romanian may then credit the quantities involved to the appropriate limits.

4. The Government of Finland undertakes to suspend, for the duration of this Agreement, the quantitative restrictions applied by Finland on imports from Romania of the textiles products mentioned in Annex I.

5. If the information available to the Finnish authorities shows that the quantitative limits for the products specified in Annex I have already been reached or that the unused balances of those limits are insufficient to cover the goods specified in the export licence, the Finnish authorities may, subject to the provisions of Articles 6 and 7 not admit imports of such products for any quantity in excess of the
quantitative limits set out in Annex I. In such a case the Finnish authorities shall immediately inform the Romanian authorities of their decision.

6. Exports may exceed the limits in Annex I by 5 per cent, provided that a corresponding reduction is applied to the other limits. For the purpose of calculating such a reduction the conversion factors listed in Annex I shall apply.

7. Carry-over and carry forward taken together shall not exceed 11 per cent, of which carry forward shall not represent more than 6 (six) per cent.

8. Romania shall endeavour to ensure that exports of the textile products subject to quantitative limits are spaced out as evenly as possible over the year, due account being taken, in particular of seasonal factors.

9. All textile products not specified in Annex I to the present Arrangement are liberalized for imports from Romania into Finland on the date of the entry into force of this Arrangement.

10. For the textile products liberalized according to the above paragraph, the following specific consultation procedures shall apply:
   a) The Finnish authorities may request consultations with the Romanian authority with a view to
reaching a mutually acceptable solution for those textiles or textile products not specifically provided for in this Arrangement when conditions on the Finnish market are such that a limitation on further trade in certain of these textiles or textile products may be necessary to eliminate real risks of market disruption.

The request for such consultations shall be accompanied, within a reasonable period of time by a statement of the market conditions which make necessary the request for consultations. The statement shall include data in respect of the existence of real risks of market disruption (as defined in Annex A to the Arrangement Regarding International Trade in Textiles).

b) Until such time as a mutually accepted solution has been reached, the Romanian authority undertakes, if so requested by the Finnish authorities, to limit shipments from the date on which Finland requests consultations, in order to ensure that exports of the products in question to Finland do not exceed, based on an annual
rate, the level of \( \text{l}02\% \) of the exports recorded in the twelvemonth period ending two months before the month in which the request for consultation was made.

The amount of products exported from Romania after the receipt of the request for consultations shall be deducted from any restraint level to be agreed in the consultations.

c) The Parties shall enter into consultations within one month at the latest of the notification of the request with a view to reaching agreement within one further month at the latest.

d) Should the Parties be unable to reach a satisfactory solution Finland shall have the right to introduce a quantitative limit at an annual level not lower than \( \text{l}02\% \) of that reached by imports of the product in question in the twelve-month period terminating two months preceding the month in which the request for consultations was made. The annual growth rate of this limit shall be 3 (three) per cent.

e) If the two Governments are unable to reach a mutually satisfactory solution within a reasonable period of time on problems which
have been the subject of consultations under this Agreement, either government may, after notification to the other government, refer such problems to the Textiles Surveillance Body in accordance with Article 11 of the Arrangement Regarding International Trade in Textiles.

11. Finland and Romania agree to consult together, at the request of either party on any matter arising from the implementation of these arrangements. They furthermore agree to enter into consultations on possible extension or modification of the present arrangements.

12. If Romania considers that, as a result of the restraint imposed by these arrangements, Romania is being placed in an inequitable position vis-à-vis a third country, Romania may request the Government of Finland to consult with a view to appropriate remedial action such as a reasonable modification of these arrangements.

13. Romania will forward to Finland quarterly statistics on a cumulative basis on the textile products for which export licences for export to Finland have been issued. Finland will forward to Romania quarterly
statistics on a cumulative basis on imports of the 
said textile products.

14. The Annexes to this Memorandum of Understanding shall 
form an integral part thereof.

Done in Bucharest, on 21st, April, 1991 in duplicate, 
in the English and Romanian language, both texts being 
authentic.

For the Government of the Republic of Finland

For the Government of the Socialist Republic of Romania
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<td>60.03</td>
<td>Stockings, under stockings, socks, ankle socks, sockettes and the like, knitted or crocheted</td>
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<td>Under garments, knitted or crocheted</td>
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<td>Culottes, jumpers, sweaters, cardigans, and the like, knitted or crocheted men's and boys', women's and girls' and infants' wear, of wool, cotton or man-made fibres.</td>
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<td>Men's and boys' shirts of cotton and man-made fibres</td>
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**CERTIFICATE OF ORIGIN**
(Textile products)

**CERTIFICAT D'ORIGINE**
(Produits textiles)

13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITE COMPETENTE

I, the undersigned, certify that the goods described above originated in the country shown in box No 5, in accordance with the provisions in force in the European Economic Community.

Je soussigné certifie que les marchandises designées ci-dessus sont originaires du pays figurant dans la case No 5, conformément aux prescriptions en vigueur dans la Communauté Economique Européenne.

14 Competent authority (name, full address, country)

Autorité compétente (nom, adresse complète, pays)
Ministry for Foreign Trade and International Economic Cooperation