ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Reports on the Status of Restrictive Measures as requested by the TSB in accordance with Article 11

HUNGARY

Attached is a report received by the TSB on the present status of restrictions on trade in textiles maintained by Hungary. This report was submitted in reply to the TSB's request for information in pursuance of Article 11 of the Arrangement, and in particular paragraphs 11, 12 and 2 thereof.

1 The previous report by Hungary is contained in COM.TEX/SB/605/Add.8.
With reference to your letter No. 2873 dated 1st June, 1981, and to document COM.TEX/SB/605/Add. 8, I have the honour to inform you that, concerning bilateral quotas existing in Hungary in the textile sphere, the present situation is the following:

- There is no change, as far as Norway and Sweden are concerned. The value of imports from Norway in 1980, falling under quotas, was Nkr. 317,000,-. There was no import from Sweden in 1980 under quotas.
- As the long-term bilateral trade agreement between Greece and Hungary expired on 31st December, 1980, the quotas ceased to exist.

As we mentioned in our letter of 8th September, 1980, bilateral quotas in textile import, notified by Hungary, are based upon the annual protocols of long-term bilateral trade agreements. The lists of quotas of these protocols are extended automatically year by year, consequently, they are formally in effect, and, as they form the subject of bilateral agreements, they cannot be eliminated by unilateral decisions.

In the Hungarian imports, the quotas in question do not represent any restriction, they are of an indicative and not of a restrictive character. This is clearly stated in the text of the respective bilateral agreements.

Based on the above, we consider that Hungary maintains no quantitative restriction inconsistent with the MFA. It was merely for the sake of legal completeness that we had notified the quotas in question.

You are requested to kindly circulate the factual information supplied, together with the explanation above.