ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification of Bilateral Agreement between
the EEC and Indonesia

The Textiles Surveillance Body has received from the Commission of the European Communities a notification concerning three modifications to the bilateral agreement between the EEC and Indonesia concluded under Article 4 of the Arrangement as extended by the 1977 Protocol of Extension.1/

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4:4, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

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1/ The original agreement and previous amendments or modifications are contained in COM.TEX/SB/419, 638, 679 and 680. Observations by the TSB on these modifications are contained in COM.TEX/SB/801, paragraphs 6 to 10.

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

1. Representatives of the Republic of Indonesia and of the European Economic Community met in Brussels on the 9 and 12 July 1982 to resume consultations in accordance with Articles 4 and 5 of the Agreement on Trade in Textiles between Indonesia and the Community signed on 4 September 1979.

2. Consultations concerned definitive restraint levels for categories 6 (trousers), 7 (blouses) and 8 (shirts) for the Community.

As a result of these consultations Indonesia has agreed to limit for the year 1982 its exports of trousers (cat. 6: NIMEXE code 61.01-62;64;66;72; 74;76; 61.02-66;68;72; cat. 7: NIMEXE code 60.05-22;23;24;25; 61.02-78;82;8 cat. 8: NIMEXE code 61.03-11;15;19) to the Community to the following levels:

<table>
<thead>
<tr>
<th>EEC-limitations for the year 1982:</th>
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<tr>
<td>Cat. 6: 3,425,000 pairs</td>
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<tr>
<td>Cat. 7: 2,875,000 pieces</td>
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<tr>
<td>Cat. 8: 4,675,000 pieces</td>
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The limits agreed for 1982 will constitute the base for calculating the quotas for the year 1983. The growth rate to be applied will be determined during the forthcoming negotiations on a future bilateral Agreement.

It was further understood that the provisions of the double checking system - as established in the Annex of the Agreed Minute of 5 February 1980 and of 3 October 1980 and completed in the attached Annex to this Agreed Minute - shall apply to exports of trousers, blouses and shirts (Cat. 6, 7 and 8) from Indonesia to all regions of the Community. It is also understood that all exports falling under these categories (6, 7 and 8) shipped from Indonesia after 1 January 1982 will be debited against the restraint levels for the Community set for the year 1982.
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 year.

3. 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.

4. In 1982, 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.

The table of equivalence applicable to the transfers referred to above is given in Annex I to the Agreement.

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

Head of Delegation

Republic of Indonesia

Head of Delegation

European Economic Community
<table>
<thead>
<tr>
<th></th>
<th>EEC</th>
<th>D</th>
<th>F</th>
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<td>Cat. 7</td>
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<tr>
<td>Cat. 8</td>
<td>4.675</td>
<td>2.018</td>
<td>571</td>
<td>585</td>
<td>493</td>
<td>832</td>
<td>31</td>
<td>115</td>
<td>30</td>
</tr>
</tbody>
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Annex to Agreed Minute between Indonesia and the European Economic Community Dated 12 July 1982

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.