ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Agreement between the Federal Republic of Germany and Hong Kong

Addendum

Attached is the text of the agreed minutes extending to 30 September 1970 the 1967 agreement concluded between the Governments of the Federal Republic of Germany and Hong Kong concerning trade in cotton textiles.

The text of these agreed minutes has been transmitted to the secretariat by the Commission of the European Communities for notification to the Cotton Textiles Committee.
Agreed Minutes

I.

The representatives of the Governments of the Federal Republic of Germany and of Hong Kong having considered the operation of the Agreement of 11 January 1967 concerning the exports of certain woven cotton textiles from Hong Kong to Germany have agreed to recommend to their Governments that:

(a) the Agreement signed on 11 January 1967 shall be extended to 30 September 1970;

(b) the Agreement shall, with effect from 1 January 1970, no longer apply to Group 1 (grey fabrics) and Group 7 (towels);

(c) for the period 1 January to 30 September 1970 the limits to be applied to Groups 2 to 6 shall be 75 per cent of the limits set out in Annex A to the Agreement for the calendar year 1969, increased by 12 per cent, thus:

<table>
<thead>
<tr>
<th>Group</th>
<th>Description</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Outerwear</td>
<td>14,433,000</td>
</tr>
<tr>
<td>3</td>
<td>Overalls and slacks</td>
<td>10,060,000</td>
</tr>
<tr>
<td>4</td>
<td>Shirts</td>
<td>12,902,000</td>
</tr>
<tr>
<td>5</td>
<td>Nightwear, including infants</td>
<td>15,308,000</td>
</tr>
<tr>
<td>6</td>
<td>Handkerchiefs</td>
<td>1,257,000</td>
</tr>
</tbody>
</table>

Total: 53,960,000 square yards

II.

The Hong Kong Government representatives pointed out that the export licences issued by the Government of Hong Kong between 1 January and 30 September 1969, exceeded, in respect of some group and total levels, owing to the fact that orders were placed by the German importers according to seasonal requirements, those levels as would have corresponded to a linear utilization of the annual quota. Therefore, the quotas envisaged for the period from 1 January to 30 September 1970, would partly be below the volume of licences actually issued during the corresponding period of the preceding year. In order to maintain a development of trade that would correspond to the present rhythm of quota utilization, the German delegation stated its readiness to recommend to the
German Government that the quotas to be fixed under the Agreement to be concluded for the period from 1 January to 30 September 1970, for the individual groups of items may be exceeded by 14 per cent each. This possible excess of quota shall represent an anticipation in the sense that such excess shall be debited against the limits which may be provided for the next subsequent period under any future agreement concerning the exports of woven cotton textiles from Hong Kong to Germany.

III.

The German representatives pointed out that the conclusion of the envisaged Agreement would represent a deviation from Article 1 of the Resolution of the Council of Ministers of the European Economic Community of 9 October 1961, thus requiring their approval.

Rolf Thieme
Chairman of the
German Delegation

D.H. Jordan
Chairman of the
Hong Kong Delegation

Hong Kong,
30 October 1969