ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment of the Bilateral Agreement between Sweden and Hong Kong

Note by the Chairman

Attached is a notification received from Sweden of an amendment of its bilateral agreement with Hong Kong. The amendment is the result of bilateral consultations held pursuant to the TSB recommendation made after its review of the bilateral agreement.

\[1\] The text of the TSB recommendation is contained in COM.TEX/SB/1093, paragraph 14; the bilateral agreement is contained in COM.TEX/SB/1090.

*English only/Anglais seulement/Inglés solamente
Dear Mr. Raffaelli,

I hereby wish to notify to the Textile Surveillance Body an amendment to the Memorandum of understanding of June 20, 1983, between the Government of Sweden and the Government of Hong Kong regarding exports of certain textile products from Hong Kong to Sweden (cf COM TEX/SB/1090).

This amendment is the result of consultations held between Sweden and Hong Kong in pursuance of what the Textile Surveillance Body has stated in document COM.TEX/SB/1093 of October 7, 1985.

During the consultations the two parties also signed an Agreed Minute regarding Article 4 (c) of the above mentioned Memorandum of Understanding.

The text for the exchange of notes and the Agreed Minute is attached for your information.

Yours sincerely,

[Signature]

Nils-Erik Sjöberg
Counsellor

cc: Mr. M. Cartland, Hong Kong Affaires
The Consulate General of Sweden presents its compliments to the Trade Department and, with reference to the Memorandum of Understanding signed on 20 June, 1983, between the Government of Sweden and the Government of Hong Kong regarding exports of certain textile products from Hong Kong to Sweden, as amended, as well as to the consultations between the two Governments, which took place in Stockholm on 3-6 June, 1986, has been instructed to propose the following:

**Article 3**

The words "to the Aggregate limit, and" shall be deleted.

**Article 4**

The words "and from the Aggregate" on the fourth line in paragraph (a) shall be deleted. On the last line of paragraph (a) the words "Aggregate esy" shall be replaced by "Total sum esy".

**Article 5**

The first sentence shall read "In addition to the swing incorporated in the Sub-Group limits in Annex II and the adjustment which may be made in the specific Group and Sub-Group limits by the application of Article 4 of this Memorandum, the following provisions shall apply:"
Paragraph (d) (ii) shall be deleted.

The following paragraph shall be added:

(e) The Government of Hong Kong may request the export of amounts in excess of the Group and Sub-Group limits (swing) in column (f) and in column (g) of Annex II to this Memorandum of Understanding respectively. Swing between 0.5% and 4% of the Group and Sub-Group limits for the Agreement years specified in the above mentioned columns may, following consultations to determine the percentage applicable, be agreed upon. Where specific Group and/or Sub-Group limits have been increased by swing a corresponding reduction shall be made in one or more of other Group and/or Sub-Group limits. For the purpose of calculating swing, conversion factors in Annex I to this Memorandum of Understanding shall apply.

Article 7

The words "the Aggregate limit, and" shall be deleted.

Annex II

The words "Aggregate in respect of the following eq. sq. yd." and the corresponding figures in columns (d) to (g) shall be deleted.

If the foregoing proposal is acceptable to the Government of Hong Kong, this note and a note to that effect on behalf of the Government of Hong Kong shall constitute an amendment to the above mentioned Memorandum of Understanding between the two Governments, to enter into force on the date of reply.
The Consulate General of Sweden avails itself of this opportunity to renew to the Trade Department the assurance of its highest consideration.
Agreed Minute

During consultations in Stockholm on June 3-6, 1986, delegations representing the Governments of Sweden and Hong Kong addressed the report of the Textiles Surveillance Body contained in document COM.TEX/SB/1093 of October 7, 1985. The two parties recalled that the Textiles Surveillance Body had noted at paragraph 13 thereof that the special transfer provision provided for a further reduction in the aggregate and that during its hearing on 9 July, 1985, the Textiles Surveillance Body had questioned whether the special transfer provision could be reversed. The two parties noted that Article 4 (c) of the bilateral agreement already provides for Hong Kong to request the return of quantities transferred under the special transfer provision and the Government of Sweden reaffirmed its undertaking to consider any such request in accordance with the consultation provisions of the bilateral agreement.

For the Delegation
of Sweden

For the Delegation
of Hong Kong

S. Patek

Michael C.C. Sze

Stockholm, June 6, 1986