ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 8:4

Quota Adjustment in the Bilateral Agreement
between the EEC and Brazil

Note by the Chairman

Attached is a notification received from the EEC under Article 8:4, concerning an adjustment of Brazil's quota on Category 1 (cotton yarn) for the 1986 agreement year. This action was taken under the provisions of Article 11, paragraph 4 of the EEC/Brazil agreement.

1 The text of the bilateral agreement is contained in COM.TEX/SB/917.

* English only/Anglais seulement/Inglés solamente
Dear Ambassador,

Pursuant to Article 8:4 of the Arrangement, I hereby notify to the Textiles Surveillance Body the application of the provisions of Article 11 (4) of the bilateral EEC-Brazil Agreement on Trade in Textiles signed on 8 October 1985, by which the Community deducted 750 tonnes of Category 1 products from the relevant quantitative limit established under the Agreement for the year 1986.

The details of the arrangement are contained in the enclosed note verbale sent to the Brazilian authorities on 3 December 1986.

Yours sincerely,

J. KECK

Encl.

Ambassador M. RAFFAELLI
Chairman
Textiles Surveillance Body
GATT
Centre William Rappard
Rue de Lausanne, 154

CH - 1211 GENEVA 21
NOTE VERBALE

12529

The Directorate-General for External Relations of the Commission of the European Communities presents its compliments to the Mission of the Federative Republic of Brazil to the European Communities and has the honour to refer to the Agreement on trade in textiles signed on 8 October 1985 and in particular to Articles 11 and 16 thereof.

The Directorate-General has the honour to refer to the consultations held on 27-28 October 1986 and wishes to inform the Mission of the Community's decision to apply the provisions of Article 11(4) of the bilateral Agreement, given the failure of the consultations to provide a satisfactory solution.

On the basis of the clear evidence of circumvention involving Cat. 1 products provided by the Community to the Brazilian authorities, the Community will deduct from the Community quantitative limit established under the Agreement for the year 1986 a quantity of 750 tonnes of the quota-share allocated to Germany.

The Community regrets that a mutually satisfactory solution could not be reached on this matter. The Directorate-General wishes to state that notwithstanding the action taken under Article 11(4), the Community is ready to discuss the issue again if the Brazilian authorities so desire.

The Directorate-General for External Relations of the Commission of the European Communities avails itself of this opportunity to renew to the Mission of the Federative Republic of Brazil to the European Communities the assurance of its highest consideration.

Brussels,

Mission of the Federative Republic of Brazil to the European Communities
avenue Louise, 350
1050 BRUSSELS