ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Finland and Pakistan

Note by the Chairman

Attached is a notification received from Finland of a bilateral agreement concluded with Pakistan, valid for the period 1 July 1986 to 30 June 1991. The agreement covers knitted undershirts other than with collars, including T-shirts, and bed linen of cotton and man-made fibres.1

*English only/Anglais seulement/Inglés solamente

1The previous bilateral agreements covering the two product groups are contained in COM.TEX/SB/780 and 960.
Dear Mr. Raffaelli,

With reference to Article 4 of the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the MFA), done at Geneva on 2 December 1973, and to the Protocol extending the MFA, done at Geneva on 31 July 1986, I have the honour to notify the Textiles Surveillance Body of a Memorandum of Understanding between Finland and Pakistan, signed on 19 October 1986. The Memorandum provides for limitations to the exports to Finland from Pakistan of undershirts, knitted, other than with collars, including T-shirts for underwear and outerwear, and of bed linen made of cotton or man-made fibres or blends thereof. Bed linen include all kinds of bedsheets, quilt covers, pillow cases and similar products under CCC-heading No. 62.02. Restraints are effective from 1 July 1986 to 30 June 1991.

The product coverage is identical with the previous arrangement. The base levels have been increased from that reached under the previous arrangement. The annual growth rate has increased from 2 per cent to 3 per cent/year. The Memorandum provides for carry over and carry forward, taken together up to 10 per cent, of which carry forward shall not represent more than 5 per cent. The Memorandum of Understanding contains a flexibility provision which allows for a swing of 5 per cent and a conversion factor of nine pieces per kilogram.

The Government of Finland believes this Memorandum of Understanding is in conformity with the provisions of the MFA and its Protocol of Extension.

Please accept, Sir, the assurances of my highest consideration.

Mr. M. Raffaelli
Chairman
Textiles Surveillance Body
General Agreement on Tariffs and Trade
Centre William Rappard
154, rue de Lausanne

1211 Geneva 21
MEMORANDUM OF UNDERSTANDING

During the consultations held in Islamabad on 18th & 19th October 1986 between a delegation from Finland and a delegation from Pakistan and having regard to the Arrangement Regarding International Trade in Textiles as extended by the Protocol dated 31st July 1986, and in particular to Article 1 and 4 of the Arrangement, agreement was reached as follows:

1. The following arrangement shall apply for the period of 1st July 1986 to 30th June 1991.

2. The Government of Pakistan agrees to limit the exports to Finland of the textile products specified in Annex I to the levels set out in that Annex.

3. Finland will for the purpose of the present arrangements admit imports of the textile products of Pakistani origin set out in Annex I to the agreed limits provided that such imports into Finland are covered by an export license as per specimen at Annex II, issued by the Export Promotion Bureau of Pakistan. The export license shall bear an endorsement by competent officials to the effect that the consignment concerned has been debited to the agreed levels for exports to Finland for the relevant period. The date of shipment indicated on the shipping documents shall be considered to be the date of exportation.
4. If the information available to the Finnish authorities through the import surveillance system shows that the quantitative limits for the products specified in Annex I have already been reached or that the unused balances of those limits are insufficient to cover the goods specified in the export license, the Finnish authorities may, subject to the provisions of Articles 5 and 6 refuse to admit imports of such products for any quantity in excess of the quantitative limits set out in Annex I. In such a case the Finnish authorities shall immediately inform the Pakistani authorities of their decision.

5. Carry over and carry forward taken together shall not exceed 10 per cent, of which carry forward shall not represent more than 5 per cent.

6. For any textile product set out in Annex I, exports may exceed the agreed limit by 5 per cent, provided that a corresponding reduction is applied in the other limit during the same period. For the purpose of calculating such corresponding reductions, the conversion factors listed in Annex I to this Memorandum of Understanding shall apply.

7. Finland and Pakistan agree to consult together, at the request of either party on any matter arising from the implementation of these arrangements. They furthermore agree to enter into consultations on possible extension or modification of the present arrangements.
8. Pakistan will forward to Finland monthly statistics on a cumulative basis of the textile products for which export licenses for export to Finland have been issued. Finland will forward to Pakistan monthly statistics on a cumulative basis of imports of the said textile products.

9. Either Party may any time terminate these arrangements provided that at least one hundred twenty days notice is given, in which case these arrangements shall come to an end at the expiry of the one hundred and twenty days period.

10. The Annexes to this Memorandum of Understanding shall form an integral part thereof.

Done in Islamabad on 19th day of October 1986

On behalf of Government of Pakistan

On behalf of Government of Finland
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<tr>
<td>ex 60.04</td>
<td>Undershirts, knitted, other than with collars including T-Shirts for underwear and outerwear, of cotton or of man-made fibres, or blends thereof</td>
<td>Pieces</td>
<td>541000</td>
<td>557230</td>
<td>573947</td>
<td>591165</td>
<td>608900</td>
<td>9 pieces per kg.</td>
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<tr>
<td>ex 62.02</td>
<td>Bedsheets, quilt-covers, pillow-cases and similar products, made of cotton or man-made fibres or blends thereof</td>
<td>Kgs</td>
<td>170690</td>
<td>175811</td>
<td>181085</td>
<td>186518</td>
<td>192113</td>
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* The tariff headings serve for indicative purposes only
1. Country of origin ______________________________

2. Agreement period ______________________________

3. Exporters name and address ______________________________

   We certify that the above exporter is authorised to export the following goods which have been debited against Pakistan's country quota of Finland.

4. Destination ______________________________

5. Order/LC No: ______________________________

6. Description of goods: ______________________________

7. Net weight: ______________________________ (Pieces/Kilograms of metric tons)

8. Value (FOB): ______________________________

9. Name of ship or flight No: ______________________________

10. Date of shipment: ______________________________

11. Importer's name and address: ______________________________