ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the bilateral agreement
between the EEC and India

Note by the Chairman

Attached is a notification received from the EEC of an amendment of its bilateral agreement with India. The parties agreed to a restraint at the Community level on cotton yarn (Category 1) for the period 18 November 1987 to 31 December 1991.

1 The bilateral agreement is contained in COM_TEX_SB_1367.

*English only/Anglais seulement/Inglés solamente

88-0779
Dear Ambassador,

In connection with the European Economic Community's Agreement on trade in textile products with India negotiated under Article 4 of the Arrangement and initialled on 31 October 1986, I have to inform you of the following.

During the course of 1987 imports of cotton yarn (category 1) from India to the Community exceeded 2,316 tonnes, being the level at which the Community could ask for consultations with a view to establishing a Community limit under the provisions of Article 8 of the Agreement. The Community being of the view that there was real risk of market disruption in this case, the two sides consulted on 11/13 January 1988 in pursuance of Articles 8 and 16 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, India agreed to limit its exports as follows.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>tonnes</td>
<td>Community</td>
<td>3,432</td>
<td>30,000</td>
<td>30,600</td>
<td>31,212</td>
<td>31,836</td>
</tr>
</tbody>
</table>

*) The annual limit for 1987 is applied pro rata from 18 November to 31 December 1987.

These new limits contained in the Agreed Minute annexed to this letter are herewith communicated under Article 4, paragraph 4 of the Arrangement, as a modification to the Community's Agreement with India.

Yours sincerely,

P. MAZZOCCHI

Enc.
BASKET EXIT LIMITATION

CATEGORY: 1  
UNITS: tonnes  
COUNTRIES: India / Community

a) Date when new limit was agreed  
b) Basket Exit Level  
c) Provisional limit introduced pending outcome of consultations  
d) Level of new agreed limit  
e) First year of application of new limit  
f) Annual growth  
g) Date when consultations were requested  
h) Recorded imports at date of request  
i) Period covered by h)  
j) Imports during calendar year preceding year during which consultation was requested

- 14 January 1988  
- 2,316 tonnes  
- 2,757 tonnes (date, pieces/tonnes)  
(18 November 1987 - 17 February 1988)  
- 30,000 tonnes  
- 1988*)  
- 2%  
- 18 November 1987  
- 23,180 tonnes  
- January - September 1987  
- 5,008 tonnes

*) For the period 18 November - 31 December 1987 a limitation of 3,432 tonnes has been agreed at Community level.
AGREED MINUTE

1. Delegations of the European Community and the Republic of India met in Brussels on 11-13 January 1988 for consultations in accordance with Article 8 of the Agreement on trade in textiles between India and the European Community initialled on 31 October 1986.

2. As a result of these consultations it was agreed that India will limit its exports of cotton yarn (Category 1) to the Community to the following levels:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit</th>
<th>Year</th>
<th>EEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>tonnes</td>
<td>1988</td>
<td>30,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1989</td>
<td>30,600</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1990</td>
<td>31,212</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1991</td>
<td>31,836</td>
</tr>
</tbody>
</table>

3. For the period 18 November-31 December 1987 a limitation of 3,432 tonnes has been agreed allocated among the different regions of the Community as set out below:

<table>
<thead>
<tr>
<th>1987 (tonnes)</th>
<th>D</th>
<th>F</th>
<th>I</th>
<th>BNL</th>
<th>UK</th>
<th>IRL</th>
<th>DK</th>
<th>GR</th>
<th>ES</th>
<th>PT</th>
<th>EEC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>816</td>
<td>214</td>
<td>813</td>
<td>341</td>
<td>909</td>
<td>133</td>
<td>48</td>
<td>23</td>
<td>107</td>
<td>28</td>
<td>3,432</td>
</tr>
</tbody>
</table>

Should difficulties arise in respect of the operation of the above limitations for the period between 18 November and 31 December 1987 the two sides agreed to consult each other with a view to finding appropriate and mutually acceptable solutions within the provisions of the bilateral agreement.

4. The annual limit for 1988 is to be allocated among the regions of the Community as set out below:

<table>
<thead>
<tr>
<th>1988 (tonnes)</th>
<th>D</th>
<th>F</th>
<th>I</th>
<th>BNL</th>
<th>UK</th>
<th>IRL</th>
<th>DK</th>
<th>GR</th>
<th>ES</th>
<th>PT</th>
<th>EEC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,000</td>
<td>1,020</td>
<td>9,270</td>
<td>4,350</td>
<td>7,000</td>
<td>1,030</td>
<td>780</td>
<td>200</td>
<td>900</td>
<td>450</td>
<td>30,000</td>
</tr>
</tbody>
</table>

5. It is likewise agreed that the provisions of the Agreement which concern exports of products subject to quantitative limits established in Annex II of the Agreement shall apply to the exports referred to above from 18 November 1987.

Brussels, 14 January 1988

For the Republic of India
For the European Economic Community