Arrangement regarding international trade in textiles

Notification under Article 4:4

Modification of the bilateral agreement between the EEC and India

Note by the Chairman

Attached is a notification received from the EEC of a further amendment of its bilateral agreement with India. A restraint was agreed on Category 3 (woven fabrics of synthetic fibres) when imported into the Community.

The bilateral agreement and previous modifications are contained in COM.TEX/SB/1401, 1402, 1470 and 1561.

*English only/Anglais seulement/Inglés solamente
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 1991 imports of woven fabrics of synthetic fibres (category 3) from India to the Community exceeded 1123 tonnes, being the level at which the Community could ask for consultations with a view to establishing a limit under the provisions of Article 8 of the Agreement. The Community being of the view that there was a real risk of market disruption in this case, the two sides consulted on 16 December 1991 in pursuance of Article 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 to the Community as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit</th>
<th>1991*</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Tonnes</td>
<td>18 800, of which 3A 3 760</td>
</tr>
</tbody>
</table>

* This annual level for 1991 was to be applied pro rata from 16 September 1991 to 31 December 1991, (5 408 T, of which 3A, 1 082 T)

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,

Daniele SADJA

Encl.

Ambassador M. RAFFAELLI
Chairman
Textiles Surveillance Body
Centre William Rappard
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BASKET EXIT LIMITATION

Category: 3
Units: tonnes
Countries
India/Community

(a) Date when new limit was agreed — 16 December 1991
(b) Basket Exit Level — 1 123 Tonnes
(c) Provisional limit introduced pending outcome of consultations — 2 980 T (18 September 1991–17 December 1991)
(d) Level of new agreed limit — 18 800 T, of which Cat 3A, 3 760 T
(e) First year of application of new limit — 1991*
(f) Annual growth — 4%
(g) Date when consultations were requested — 18 September 1991
(h) Recorded imports at date of request — 7 798 tonnes
(i) Period covered by (h) — January–June 1991
(j) Imports during calendar year preceding year during which consultation was requested — 11 856 tonnes

* For the period of 18 September–31 December 1991, a quantitative limit of 5 408 tonnes was agreed at Community level, with a sublimit of 20% for category 3A.
AGREED MINUTE

1. Delegations of the European Community and the Republic of India met in Delhi on 4-7 December 1991 and in Brussels on 16 December 1991 in accordance with Articles 8 and 16 of the Agreement on Trade in Textiles between the EEC and India, initialled on 31 October 1986 and applied since 1 January 1987.

2. As a result of these consultations it was agreed that India will limit its exports of category 3 to the Community for the period 18 September 1991 to 31 December 1991 to 5,408 tonnes, with a sublimit of 20% for category 3a.

Goods shipped from India before 18 September 1991 shall not be deducted from these limits.

3. The limit for 1992 is fixed as follows:

   category 3: tonnes 19,552, of which category 3a tonnes 3,910.

4. The allocation of the above mentioned limits among Member States will be determined at a later stage taking into account existing trade patterns and the formula laid down in the bilateral Agreement.

5. It is understood that the flexibility provisions laid down in Articles 7 and 14 of the Agreement are applicable to the limits set out above.

Brussels, 16 December 1991

For the Republic of India

For the European Economic Community