Arrangement Regarding International Trade in Textiles

Notification under Article 4:4

Extension of the bilateral agreement between the EEC and Sri Lanka

Note by the Chairman

Attached is a notification received from the EEC of an extension with modification of its bilateral agreement with Sri Lanka for the period 1 January to 31 December 1992.¹

¹The bilateral agreement and a previous amendment are contained in COM.TEX/SB/1350 and 1659.

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

Pursuant to Article 4.4 of the Arrangement, I enclose herewith a copy of the Agreement in the form of Exchange of Letters amending the Agreement between the European Economic Community and Sri Lanka on trade in textile products so as to extend it for a further period of one year, i.e. from 1 January 1992 through 31 December 1992. The terms of the Agreement, as amended, are unchanged except for the percentage of inter-regional transfers which is fixed at a higher level than previously i.e. 40% instead of 16%.

Yours sincerely,

Ambassador M. Raffaelli
Chairman
Textiles Surveillance Body
GATT
Centre William Rappard
rue de Lausanne, 154
CH - 1211 GENEVA 21
AGREEMENT

In the form of Exchange of Letters amending the Agreement between the European Economic Community and the Democratic Socialist Republic of Sri Lanka on trade in textile products
AGREEMENT

in the form of Exchange of Letters amending the Agreement between the European Economic Community and the Democratic Socialist Republic of Sri Lanka on trade in textile products

Letter Number One

Sir,

1. I have the honour to refer to the consultations held on 25 October 1991 between our respective delegations for the purpose of amending the Agreement on trade in textile products between the European Economic Community and the Democratic Socialist Republic of Sri Lanka, initialled on 31 May 1986 and applied since 1 January 1987

2. As a result of these consultations, both parties agreed to amend Article 18, paragraph 1 and Protocol F of the above Agreement so as to extend the period of application of all the provisions of the Agreement for one more year, i.e. until 31 December 1992. Consequently, the parties also agreed to amend Annex II and Protocol E of the Agreement as regards the quantitative limits for exports from Sri Lanka to the Community of the textile products referred thereto for the year 1992. The modified Annex II and Protocol E are appended to this letter (Appendix 1 and Appendix II).

3. The parties also agreed that as regards Article 14, paragraph 3, of the Agreement, the percentage of inter-regional transfers for the year 1992 is fixed at 40%.
It is understood that if a result of the application of the above percentage serious difficulties, following significant changes in the pattern of trade, occur in certain regions of the Community, both parties shall hold consultations without delay with a view to reviewing the situation.

4. Both parties agreed that this extension of the Agreement shall enter into force on 1 January 1992 and shall remain in force until 31 December 1992. The parties agreed that this Agreement shall be applied provisionally from 1 January 1992.

5. I should be obliged if you would kindly confirm the acceptance of your Government to the foregoing.

6. Please accept, Sir, the assurance of my highest consideration.

For the Council
of the European Communities
ANNEX II

(the full product descriptions of the categories listed in this annex
are to be found in annex I of the Agreement)

COMMUNITY QUANTITATIVE LIMITS

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>UNIT</th>
<th>1992</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>1,000 pieces</td>
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<tr>
<td>21</td>
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</tr>
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</table>

Note: The numbers in brackets are references to the footnotes in Annex II of the Agreement for the appropriate Category respectively.
ANNEX TO PROTOCOL E

(The product descriptions of the categories figuring in this annex are to be found in Annex I of the Agreement)

<table>
<thead>
<tr>
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</tr>
<tr>
<td>21</td>
<td>1,000 pieces</td>
<td>970</td>
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</tbody>
</table>
Sir,

I have the honour to acknowledge receipt of your letter of today's date, which reads as follows:

"1. I have the honour to refer to the consultations held on 25 October 1991 between our respective delegations for the purpose of amending the Agreement on trade in textile products between the European Economic Community and the Democratic Socialist Republic of Sri Lanka, initialled on 31 May 1986 and applied since 1 January 1987.

2. As a result of these consultations, both parties agreed to amend Article 18, paragraph 1, and Protocol F, of the above Agreement so as to extend the period of application of all the provisions of the Agreement for one more year, i.e. until 31 December 1992. Consequently, the parties also agreed to amend Annex II and Protocol E of the Agreement as regards the quantitative limits for exports from Sri Lanka to the Community of the textile products referred thereto for the year 1992. The modified Annex II and Protocol E are appended to this letter (Appendix 1 and Appendix 2)."
3. The parties also agreed that as regards Article 14, paragraph 3, of the Agreement, the percentage of inter-regional transfers for the year 1992 is fixed at 40%.

It is understood that if as a result of the application of the above percentage serious difficulties, following significant changes in the pattern of trade, occur in certain regions of the Community, both parties shall hold consultations without delay with a view to reviewing the situation.

4. Both parties agreed that this extension of the Agreement shall enter into force on 1 January 1992 and shall remain in force until 31 December 1992. The parties agreed that this Agreement shall be applied provisionally from 1 January 1992.

5. I should be obliged if you would kindly confirm the acceptance of your Government to the foregoing.

I have the honour to confirm that my Government is in agreement with the contents of your letter.

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

For the Government of the
Democratic Socialist Republic of Sri Lanka
APPENDIX 1

ANNEX II

(the full product descriptions of the categories listed in this annex are to be found in annex I of the Agreement)

COMMUNITY QUANTITATIVE LIMITS

<table>
<thead>
<tr>
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<td>21 (1)</td>
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</table>

Note: The numbers in brackets are references to the footnotes in Annex II of the Agreement for the appropriate Category respectively.
ANNEX TO PROTOCOL E

(The product descriptions of the categories figuring in this annex are to be found in Annex I of the Agreement)

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<td>21</td>
<td>1,000 pieces</td>
<td>970</td>
</tr>
</tbody>
</table>
EXCHANGE OF NOTES

The Directorate General for External Relations of the Commission of the European Communities presents its compliments to the Mission of the Democratic Socialist Republic of Sri Lanka to the European Communities and has the honour to refer to the Agreement in textile products between Sri Lanka and the Community initialled on 31 May 1986 and applied since 1 January 1987, as extended by the exchange of letters initialled on 25 October 1991.

The Directorate General wishes to confirm to the Mission of Sri Lanka that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the extended Agreement, the Community is prepared to allow the provisions of the Agreement to apply de facto from 1 January 1992. This is on the understanding that either party may at any time terminate this de facto application of the extended Agreement provided that 90 days' notice is given.

The Directorate General for External Relations would be grateful if the Mission of Sri Lanka would confirm its agreement to the foregoing.

The Directorate General for External Relations avails itself of this opportunity to renew to the Mission of the Democratic Socialist Republic of Sri Lanka to the European Communities the assurance of its highest consideration.
EXCHANGE OF NOTES

The Mission of the Democratic Socialist Republic of Sri Lanka to the European Communities presents its compliments to the Directorate General for External Relations of the Commission of the European Communities and has the honour to refer to the Agreement in textile products negotiated between the Democratic Socialist Republic of Sri Lanka and the Community, initialled on 31 May 1986 and applied since 1 January 1987, as extended by the exchange of letters initialled on 25 October 1991.

The Mission wishes to inform the Directorate General that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the extended Agreement, the Government of the Democratic Socialist Republic of Sri Lanka is prepared to allow the provisions of the extended Agreement to apply de facto from 1 January 1992 if the Community is disposed to do likewise. This is on the understanding that either party may at any time terminate this de facto application of the extended Agreement provided that a 90 days' notice is given.

The Mission of the Democratic Socialist Republic of Sri Lanka to the European Communities avails itself of this opportunity to renew to the Directorate General for External Relations the assurance of its highest consideration.