ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension and amendment of the agreement between
Norway and Malaysia

Note by the Chairman

Attached is a notification received from Norway of an extension with amendments of the bilateral agreement with Malaysia for the period 1 January 1992 to 31 December 1993.

1The bilateral agreement and a previous amendment are contained in COM.TEX/SB/1437 and 1592.

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

Pursuant to Article 4:4 of the Arrangement regarding International Trade in Textiles as extended by the 1986 and 1991 Protocols, I am pleased to notify the Textiles Surveillance Body of certain amendments of the current bilateral textile Agreement between the Government of the Kingdom of Norway and the Government of Malaysia.

The agreement has been extended by two years to 31 December 1993.

The restraint for one category, category 5, has been abolished.

One new products category, category 70, netting and nets, has been covered by the Agreement and by a surveillance mechanism.

For 1992 certain uplifts have been agreed for the remaining categories. Annual growth rate for category 1 has been increased from 2.5% to 3%. Carryover and carryforward are set at 10% and 5% respectively (previously set at 8% and 4%). The limit on total flexibility has been abolished.

Please find enclosed a copy of the Agreed Minutes from the consultations between the two parties.

Yours sincerely,

Otto Wentzel
Head of Division


2. As a result of these consultations it was agreed to initial the enclosed amendments to the Textile Agreement as previously amended.

Kuala Lumpur, 18 March 1992

Head of the Norwegian Delegation

Head of the Malaysian Delegation
I. The Government of the Kingdom of Norway and the Government of Malaysia have agreed to the following amendments to the Textile Agreement:

(i) in Article 2, after "as extended by the Protocol of 31.7.1986" add "and as further extended by the Protocol of 31.7.1991".

(ii) after Article 6, add the following text:

**Surveillance**

(a) In the event that the Government of Norway believes that imports from Malaysia of products listed in Annex A not covered by specific limits are, due to market disruption or the threat thereof, threatening to impede the orderly development of trade between the two countries, the Government of Norway may request consultations with the Government of Malaysia with a view to easing or avoiding such market disruption. The Government of Norway will provide the Government of Malaysia at the time of the request with available data which are indicative of the market situation and in the opinion of the Government of Norway show:

A. The existence of market disruption, or the threat thereof, and

B. The role of exports from Malaysia in that disruption.
(b) The Government of Malaysia agrees to consult with the Government of Norway within 30 days of receipt of the request for consultations. Both government agree to make every effort to reach agreement on a mutually satisfactory resolution of the issue within 90 days of the receipt of such request, unless this period is extended by mutual agreement.

(c) During the 90 day period, the Government of Malaysia agree to hold its exports to Norway of the products concerned to a level no greater than 35% of the amount entered into Norway, or 30% of the amount exported from Malaysia, whichever is higher, during the latest 12 months prior to the month in which the request for consultations was made.

(d) If no mutually satisfactory solution is reached during these consultations, the Government of Norway may establish a specific limit for the duration of this agreement for shipments of the product concerned exported on and after the conclusion of the 90 day period referred to above. This limit will not be less than the amount of imports which are entered into Norway during the first 12 of the most recent 14 months preceding month in which the request for consultations was made, plus (20) percent. Due consideration shall be given by the Government of Norway to the amount exported from Malaysia during the same period.
(e) If a specific limit is established in the course of a calendar year, it will be prorated to correspond to the time period between the date on which the limits established and the end of the calendar year. At the request of the Government of Malaysia, the initial restraint period will be extended by a full calendar year. This period will not, however, be extended to more than 15 months in total, unless agreed by both Governments.

(iii) delete Article 7, paragraph (d) on total flexibility.

(iv) in Article 13, page 5, third line from the bottom, delete "total imports and".

(v) after the first paragraph of Article 14, add the following text:

"The Government of Norway and the Government of Malaysia agree to consult at the request of either government on the need of bringing the Agreement into conformity with any successor to the Arrangement if changes are made therein".

(vi) in Article 16, second line, delete "1991" and replace it with "1993".

(vii) replace the existing Annex A on product coverage, with the attached Annex A.

(viii) replace the existing Annex B on restraints, with the attached Annex B.

II. These amendments will take effect on 1 January 1992.
# Annex A

## Product Categories Covered by the Agreement

<table>
<thead>
<tr>
<th>Category Number</th>
<th>Unit</th>
<th>Description</th>
</tr>
</thead>
</table>
| 1.              | Pieces | Outer garments of woven material, men's, boys', women's girls':  
|                 |       | - Jackets, tailored jackets, blazers, waistcoats, sports jackets (including parts of ski suits), anoraks and similar garments, parkas, one-piece suits, and the like, also as parts of suits, sets and costumes (boys and girls with height above 152 cm). |
| 2.              | Pieces | Outer garments of woven material, men's, boys', women's, girls':  
<p>|                 |       | - Trousers, slacks, jeans, breeches, and the like (including bib and brace overalls), other than swimwear and shorts, also as parts of suits and sets (boys and girls with height above 152 cm). |
| 70.             | Kgs   | Knotted netting, made up fishing nets, other made up nets, and the like. |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Cat. Restraint</th>
<th>(c) Annual Growth Rate</th>
<th>(d) Carry-over %</th>
<th>(e) Carry-forward %</th>
<th>(f) Swing %</th>
<th>(h) Conversion Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>75,000 pieces</td>
<td>3</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>1.2</td>
</tr>
<tr>
<td>2</td>
<td>180,000 pieces</td>
<td>3</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>1.2</td>
</tr>
<tr>
<td>7</td>
<td>25,000 kgs</td>
<td>3</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>1.0</td>
</tr>
</tbody>
</table>

PT.10(product)