ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between Finland and India

Note by the Chairman

Attached is a notification received from Finland of a further extension of its agreement with India for the period 1 January to 31 December 1994, with the possibility for a further twelve-month extension.¹

¹The bilateral agreement, amendments and a previous extension are contained in COM.TEX/SB/1245, 1431 and 1685.

*English only/Anglais seulement/Inglés solamente
Excellency,

With reference to Article 4 of the Arrangement regarding International Trade in Textiles, done at Geneva on 20 December 1973 as extended by the 1986 Protocol and subsequent Protocols, I have the honour to notify to the Textiles Surveillance Body the Agreement on the extension of the Memorandum of Understanding between the Government of Finland and the Government of India, signed in Helsinki on 22 October 1993.

The provisions of the Agreement remain unchanged except some moderate improvements in the restraint levels for 1994 and with 5 per cent growth for 1995. The flexibility provisions were also moderately improved.

Accept, Excellency, the assurances of my highest consideration.

Kim Luotonen
Minister Counsellor

Ambassador Marcelo Raffaelli
Chairman
Textiles Surveillance Body
GATT
Consultations were held between the Delegations of the Government of Finland and the Government of India on October 20-22, 1993, in Helsinki, on the extension, with appropriate modifications, of the Memorandum of Understanding between the Government of Finland and the Government of India of certain textile products for import into Finland, of November 28, 1986, as amended on July 1, 1988, and extended, with modifications, on December 20, 1991. The Delegations agreed on the following:

1. (A) The validity of the Memorandum of Understanding is extended up to December 31, 1994. Thereafter, the application of all the provisions of the Memorandum of Understanding shall be extended automatically for a period of one more year up to December 31, 1995, unless either Party notifies the other at least six months before December 31, 1994, that it does not agree with this extension. However, if the Agreement on trade in textiles and clothing products resulting from the Uruguay Round GATT trade negotiations is concluded and enters into force at an earlier date, this Memorandum of Understanding shall be automatically terminated as of the date agreed for the implementation of the results of the Uruguay Round trade negotiations.

(B) This Agreement does not affect the rights or obligations of either Party under the transition arrangement of the Uruguay Round.

2. For the periods referred to above, Annex I to this Agreement shall replace Annex I to the Agreement of December 20, 1991. The swing referred to in paragraph 10 of the Memorandum of Understanding shall be raised to 6 per cent.
3. The Delegation of the Government of India expressed concerns about the possibility of increases in import restrictions on textiles and clothing in Finland as a consequence of Finland's accession negotiations to the European Community, and expressed the point of view that appropriate remedies may have to be worked out in this regard. The Delegation of the Government of Finland took note of the concerns and points of view expressed, by the Delegation of the Government of India.

Done in Helsinki on October 22, 1993, in two originals.

For the Government of Finland

Erik Hagfors
Ambassador
Department of External Economic Relations
Ministry for Foreign Affairs

For the Government of India

S. Narayanan
Joint Secretary
Ministry of Textiles
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Unit of Quantity Limits</th>
<th>Restrained Quantity</th>
<th>Growth Rates for 1995</th>
<th>Conversion Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Women's and girls' blouses and shirt-blouses, of cotton and man-made fibres,</td>
<td>pieces</td>
<td>950 583</td>
<td>5.00</td>
<td>4.12</td>
</tr>
<tr>
<td></td>
<td>men's and boys' woven shirts of cotton and man-made fibres of which</td>
<td>pieces</td>
<td>668 371</td>
<td>5.00</td>
<td>4.77</td>
</tr>
<tr>
<td></td>
<td>Women's and girls' blouses and shirt-blouses, of cotton and man-made fibres</td>
<td>pieces</td>
<td>760 626</td>
<td>5.00</td>
<td>7.5</td>
</tr>
<tr>
<td>2.</td>
<td>Knitted undershirts, other than with collars, including t-shirts and other</td>
<td>pieces</td>
<td>780 626</td>
<td>5.00</td>
<td>7.5</td>
</tr>
<tr>
<td></td>
<td>like undershirts, of cotton and man-made fibres</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Women's and girls' blouses and shirt-blouses of cotton</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Bed linen, of cotton and other textile materials (excluding silk)</td>
<td>kgs</td>
<td>246 965</td>
<td>5.00</td>
<td>1</td>
</tr>
</tbody>
</table>

**ANNEX I**