TEXTILES SURVEILLANCE BODY

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4
Modification to the Bilateral Agreement between the EEC and Thailand

Note by the Chairman

The attached notification received from the Commission of the European Communities concerns a modification to the existing Article 4 agreement with Thailand. The modification relates to new limits on exports from Thailand with respect to category 26 to the Community as a whole.

1/ For details of the existing agreement and previous modifications see COM.TEX/SB/455, 486, 552, 581 and 641. See also TEX.SB/639.

* English only/Anglais seulement.
Dear Mr Ambassador,

In connection with the European Economic Community's Agreement on trade in textile products with Thailand negotiated under Article 4 of the Arrangement and signed on 21 July 1979, I have to inform you of the following:

During the course of 1980 imports of dresses (Cat. 26) from Thailand into the Community exceeded 558,000 p, being the level at which the Community can ask for consultations with a view to establishing a limit under the provisions of Article 6 of the Agreement. The Community having deemed that there was real risk of market disruption in this case, the two sides consulted on 30/31 March 1981 in pursuance of Article 13 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, Thailand agreed to limit exports to the EEC as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit</th>
<th>Member State</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>1000 p</td>
<td>EEC</td>
<td>1,850</td>
<td>1,961</td>
</tr>
</tbody>
</table>

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 Thailand.

Yours sincerely,

Ambassador P. WURTH
Chairman
Textiles Surveillance Body, GATT
Centre William Rappard
Rue de Lausanne 154
CH - 1211 GENEVA 21
Agreed Minute

1. Delegations of the Kingdom of Thailand and of the European Economic Community met on 30 and 31 March 1981 in Bangkok for consultations in accordance with Article 6 of the Agreement on trade in textiles between Thailand and the Community signed on 21 July 1979.

2. As a result of the consultations, Thailand agreed to limit its exports of woven and knitted or crocheted dresses (Category 26, Nimex Code 60.05-45; 46; 47; 48 and 61.02-48; 52; 53 and 54) to the Community to the following levels:

   1.1 to 31.12.1981 : 1,850,000 pieces
   1.1 to 31.12.1982 : 1,961,000 pieces

3. It is the understanding of both parties that the provisions of the Agreement which concern exports of products subject to quantitative limits established in Annex II of the Bilateral Agreement, in particular the licensing procedures set out in Protocol A, shall apply to exports of the above-mentioned products to the Community as from 15 April 1981.

Bangkok, 31 March 1981

Mrs. ORANUJ OSATANANDA  Mr. KARL-FR. FALKENBERG
Head of Thai Delegation  Head of EEC Delegation
<table>
<thead>
<tr>
<th>Category</th>
<th>Date when new limit was agreed</th>
<th>Basket Exit level (1.2%) of previous year's total imports in category under consideration</th>
<th>Level agreed</th>
<th>First year of application of new limit</th>
<th>Annual growth</th>
<th>Date when consultation was requested</th>
<th>Recorded imports at date of request for consultation</th>
<th>Period covered by g)</th>
<th>Imports during calendar year preceding year during which consultation was requested</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.3.1981</td>
<td>558.000 p</td>
<td>1,850.000 p</td>
<td>1981</td>
<td>6%</td>
<td>27.1.1981</td>
<td>1,380.000 p</td>
<td>9 months 1980</td>
<td>1,186.000 p</td>
</tr>
</tbody>
</table>
14 May 1981

**EEC/Thailand (TEX.SB/638 and TEX.SB/639)**

Original agreement and previous amendments: COM.TEX/SB/455, 486, 552, 581, 641, 661

Period of agreement: 1 January 1978-31 December 1982

Product coverage: Cotton, wool, m.m.f.

Present notifications

Establishment of EEC quota for Category 26 and regional quotas for categories 21, 25 and 73.

**Category 26 - (dresses) into EEC (TEX.SB/638)**

Regional limits had already been established for imports into the Benelux, Denmark, Italy and the United Kingdom (COM.TEX/SB/486, 552 and 641).

Does this amendment relate to the Community of ten? (It was not included in the additional Protocol on Greek accession!) If so, it is to be assumed that the basket exit procedure as set out in the additional Protocol has been used in this case. Since regional quotas already existed (the 1981 regional quotas add up to 1,026,000 pieces), were these quotas taken into consideration, or was the trade performance the only factor needed for determining the EEC level?

<table>
<thead>
<tr>
<th>Year</th>
<th>Basket exit</th>
<th>1979 imports</th>
<th>9-month 1980 imports</th>
<th>1981 level</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>558,000 pcs</td>
<td>1,186,000 pcs</td>
<td>1,380,000 pcs</td>
<td>1,850,000 pcs</td>
<td>6 per cent</td>
</tr>
<tr>
<td>1980</td>
<td>612,71,000 pcs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Category 21 - (anoraks) into France (TEX.SB/639).**

This category was put under restraint for imports into Denmark for the years 1979 to 1982 (with 1981 quota at 124,000 pieces) and into the United Kingdom for 1 November to 31 December 1979 and the year 1980 (COM.TEX/SB/581). (Official Journal L98 of 9 April 1981 has given the UK quota at 530,000 pcs. This has not been notified.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Basket exit</th>
<th>1979 imports</th>
<th>8-month 1980 imports</th>
<th>1981 restraint level</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>96,000 pcs</td>
<td>135,000 pcs</td>
<td>564,000 pcs</td>
<td>680,000 pcs</td>
<td>6 per cent</td>
</tr>
<tr>
<td>1980</td>
<td>767,1980 pcs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Category 25 - (night dresses) into Benelux (TEX.SB/639)

Basket exit 20,000 pcs.
1979 imports 61,000 pcs.
9-month 1980 imports 130,000 pcs.
1981 restraint level 180,000 pcs
Growth 6%

Category 73 - (tracksuits) into Benelux and Denmark (TEX.SB/639)

The category already under restraint in the United Kingdom at 267,000 pieces (COM.TEX/SB/641)

<table>
<thead>
<tr>
<th></th>
<th>Benelux</th>
<th>Denmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basket exit</td>
<td>38,000 pcs.</td>
<td>11,000 pcs.</td>
</tr>
<tr>
<td>1979 imports</td>
<td>68,000 pcs.</td>
<td>59,000 pcs.</td>
</tr>
</tbody>
</table>
| 8-month 1980 imports | 218,000 pcs. | ?  
| 1981 restraint level | 265,000 pcs. | 150,000 pcs. |
| Growth        | 6%                | 6%               |

Swing, carryover and carry forward for all categories above: 5% + 5% + 5% - as in original agreement.