ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification to the Bilateral Agreement between the EEC and the Philippines

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 the Philippines. The modification relates to new limits on exports from the Philippines with respect to categories 24/25 to France and 24 to Benelux.

1/ For details of the existing agreement and previous modifications see COM.TEX/SB/452, 483, 579, 580, 597 and 640. See also TEX.SB/642.

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

In connection with the European Economic Community's Agreement on trade in textile products with the Philippines negotiated under Article 4 of the Arrangement and signed on 29 October 1980, I have to inform you of the following:

During the course of 1980 imports of pyjamas and nightdresses (cat. 24) from the Philippines into the French and Benelux regions of the Community exceeded 33,000 p and 19,000 respectively, being the levels at which the Community can ask for consultations with a view to establishing a limit in respect of the region of the Community concerned under the provisions of Article 6 of the Agreement. The Community having deemed that there was real risk of market disruption in these cases, the two sides consulted on 2/3 April 1981 in pursuance of Article 13 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, the Philippines agreed to limit exports to France and the Benelux 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>24/25</td>
<td>1000 p</td>
<td>F</td>
<td>250</td>
<td>265</td>
</tr>
<tr>
<td>24</td>
<td>1000 p</td>
<td>BNL</td>
<td>140</td>
<td>148</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 the Philippines.

Yours sincerely,

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

Provisional address: Rue de la Loi 200, B-1049 Brussels – Telephone 735 00 40/735 80 40 – Telegraphic address: "COMEUR Brussels" –
Telex: "21 877 COMEU B"
1. Delegations of the Republic of the Philippines and of the European Economic Community met on 2 and 3 April 1981 in Manila for consultations in accordance with Article 6 of the Agreement on trade in textiles between the Philippines and the Community signed on 29 October 1980.

2. As a result of the consultations, the Philippines agreed to limit its exports of men's and women's pyjamas and women's nightdresses, knitted or crocheted (Category 24, Nomencl Codes 60.04-47; 73, and Category 25, Nomencl Codes 60.04-51; 53; 81; 83) to the Community's region of France to the following levels:

<table>
<thead>
<tr>
<th>Period</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 April - 31 December 1981</td>
<td>250,000 pieces*</td>
</tr>
<tr>
<td>1 January - 31 December 1982</td>
<td>265,000 pieces</td>
</tr>
</tbody>
</table>

3. Similarly, the Philippines agreed to limit its exports of men's pyjamas, knitted or crocheted (Category 24, Nomencl Codes 60.04-47; 73) to the Community's region of the Benelux to the following levels:

<table>
<thead>
<tr>
<th>Period</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 January - 31 December 1981</td>
<td>140,000 pieces</td>
</tr>
<tr>
<td>1 January - 31 December 1982</td>
<td>148,000 pieces</td>
</tr>
</tbody>
</table>

4. 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's regions concerned as from 1 April 1981.

   Manila, 4 April 1981

* Shipments which left the Philippines between 1 January and 31 March 1981, up to a maximum level of 103,000 pieces, shall exceptionally be admitted into France without being charged to the agreed level for 1981.
### BASKET EXIT LIMITATION

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>PHILIPPINES/BNL/F</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Date when new limit was agreed</td>
<td></td>
</tr>
<tr>
<td>b)</td>
<td>Basket Exit level (1:2%) of previous year's total imports in category</td>
<td></td>
</tr>
<tr>
<td></td>
<td>under consideration)</td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td>Level agreed</td>
<td></td>
</tr>
<tr>
<td>d)</td>
<td>First year of application of new limit</td>
<td></td>
</tr>
<tr>
<td>e)</td>
<td>Annual growth</td>
<td></td>
</tr>
<tr>
<td>f)</td>
<td>Date when consultation was requested</td>
<td></td>
</tr>
<tr>
<td>g)</td>
<td>Recorded imports at date of request for consultation</td>
<td></td>
</tr>
<tr>
<td>h)</td>
<td>Period covered by g)</td>
<td></td>
</tr>
<tr>
<td>i)</td>
<td>Imports during calendar year preceding year during which consultation was requested</td>
<td></td>
</tr>
</tbody>
</table>

- BNL: 4.4.1981
- F: 19.000 p 33.000 p
- PHILIPPINES: 140.000 p 250.000 p (y compris Cat.25)
- 1981
- 6%
- 12.1.1981
- 93.000 p 132.000 p
- 10 months 1980
- 43.000 p 7.000 p
EEC/Philippines (TEX.SB/641 and TEX.SB/642)

Original agreement and previous amendments: COM.TEX/SB/452, 483, 579, 597 and 640

Period of agreement: 1 January 1978 - 31 December 1982

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

Present notifications

Establishment of Community restraint on Category 13, and of regional quotas on categories 12, 24 and 24/25.

Category 13 (underpants) into the EEC (TEX.SB/642)

(This category has been included in the Protocol re. Greek accession. It was under restraint in the Benelux for 1980 (650,000 pcs. - COM.TEX/SB/597)

Basket exit: 2,603,000 pcs.
7-month 1980 imports: 3,795,000 pcs.
1981 restraint level: 6,400,000 pcs.
Growth: 6%

Category 12 (socks) into Benelux (TEX.SB/642)

Basket exit: 559,000 pcs.
1979 imports: 350,000 pcs.
8-month 1980 imports: 879,000 pcs.
1981 restraint level: 1,100,000 pcs.
Growth: 6%

Category 24 (pyjamas M and B) into Benelux (TEX.SB/641)

Basket exit: 19,000 pcs.
1979 imports: 43,000 pcs.
10-month 1980 imports: 93,000 pcs.
1981 restraint level: 140,000 pcs.
Growth: 5.7%

Category 24/25 (pyjamas MB and nightdresses WG) into France (TEX.SB/641)

Category 25 was already under Community restraint in the original agreement. According to Official Journal No.L98 of 9 April 1981 the French 1981 share was 39,000 pcs. From the EEC sheet attached to the notification, it appears that the import data given relates to category 24 only. If so, was the 39,000 pcs. (category 25) added to the level fixed for category 24 to give the 1981 level?
Basket exit: 33,000 pcs.
1979 imports: 7,000 pcs.
10-month 1980 imports: 132,000 pcs.
1981 level (cats.24 and 25) : 250,000 pcs.
Growth: 6%

Additional quota of 103,000 pieces allowed for 1981 if shipped between 1 January and 31 March 1981.

Swing, carryover, carry forward: 5% + 5% + 5% (as in original agreement).