

CONFIDENTIAL

TEX.SB/1101\*

1 May 1985

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Textiles Surveillance Body

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4:4

#### Bilateral Agreement between Sweden and Sri Lanka

#### Note by the Chairman

Attached is a notification received from Sweden of a bilateral agreement concluded with Sri Lanka for the period 1 August 1984 to 31 July 1988.<sup>1</sup>

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<sup>1</sup>The previous bilateral agreement between the parties is contained in COM.TEX/SB/852

\*English only/Anglais seulement/Inglés solamente



Imports of made-up articles increased heavily during 1980 but declined in 1981 due to weak demand and has since remained at a level which is still very high. Sweden still has the highest import penetration of textiles in the world.

For Sweden, being a small market with an exceptionally high level of imports and a low domestic production, the maintenance of a minimum viable production is of vital importance.

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Copies of the Agreement and related documents are attached.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Bo Henrikson'. The signature is written in a cursive, slightly slanted style.

Bo Henrikson  
Counsellor

AGREEMENT BETWEEN THE GOVERNMENT OF SWEDEN AND THE  
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA  
REGARDING EXPORTS OF CERTAIN TEXTILE PRODUCTS FROM  
SRI LANKA TO SWEDEN

Article 1

The following Agreement has been reached having regard to the Arrangement Regarding International Trade in Textiles bearing in mind particularly the provisions of article 4 thereof and the provisions of GATT document L/5276.

Article 2

This Agreement shall apply for the periods specified in Annex I.

Article 3

The Government of Sri Lanka will limit exports to Sweden of the textile products listed in Annex I to this Agreement to the levels set out in that Annex. The date of issue of shipping documents shall be considered to be the date of exportation.

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Article 4

- (a) This Agreement shall apply to exports from Sri Lanka to Sweden of the textile products described in Annex I hereof, of cotton, wool or man-made fibres, or blend thereof, in which any or all of those fibres in combination represent either the chief value of the fibres or 50 per cent or more by weight (or 17 per cent or more by weight of wool).
- (b) Notwithstanding the provisions of this Article this Agreement shall also apply to the products described in Annex I hereof, which are manufactured from impregnated fabrics as defined in Annex II of this Agreement.

Article 5

The Government of Sweden will admit imports of the textile products of Sri Lanka origin, listed in Annex I, provided that such imports are covered by an Export Certificate, as per specimen in Annex III. Such a document shall be issued by the Ministry of Textile Industries, be consecutively numbered, state the group number, and bear an endorsement that the consignments concerned have been approved and debited to the agreed group levels for exports to Sweden for the relevant period.

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Article 6

(a) If in the period 1 August, 1983 to 31 July, 1984 the group/sub-group limits specified in column (f) of Annex I to the Agreement of 27 July, 1982 are not fully utilized, the Government of Sri Lanka may, after consultation with the Government of Sweden, during the period 1 August, 1984 to 31 July, 1985 approve the exports of additional amounts (carryover) equivalent to such shortfalls provided that such exports

- i) are in the same groups/sub-groups where the shortfalls occurred;
- ii) do not exceed 3 per cent of the notional twelve months' limits of these groups/sub-groups specified in column (f) of Annex I to the Agreement of 27 July, 1982.

(b) If in any twelve months period of this Agreement, the group/sub-group limits specified in Annex I to this Agreement are not fully utilized, the Government of Sri Lanka may, after consultation with the Government of Sweden, during the subsequent restraint period approve the export or additional amounts (carryover) equivalent to such shortfalls provided that such exports

- i) are in the same groups/sub-groups where the shortfalls occurred;
- ii) do not exceed 3 per cent of the limits of these groups/sub-groups for the period during which the shortfalls occurred.

(c) During each of the periods in columns e - h of Annex I to this Agreement, the Government of Sri Lanka may, after consultations with the Government of Sweden, approve the export of amounts in excess of the group/sub-group limits specified in Annex I to this Agreement up to 3 per cent of these limits (carry forward) for the relevant period. Where specific group/sub-group limits have been increased by carry forward the Government of Sri Lanka shall inform the Government of Sweden of the carry forward quantities and debit these to the corresponding group/sub-group limits, which are or may be agreed upon for the subsequent period.

(d) During each of the periods in columns e - h of Annex I to this Agreement the Government of Sri Lanka may, after consultations with the Government of Sweden, approve the export of amounts in excess of the group/sub-group limits specified in Annex I to this Agreement up to 3 per cent (swing) of these limits. Where specific group/sub-group limits have been increased by swing a corresponding

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reduction shall be made in one or more of other group/sub-group limits. For the purpose of calculating swing, the conversion factors in Annex IV shall apply.

- (e) During each of the periods in columns e - h of Annex I to this Agreement, the additional export quantities resulting from carryover, carry forward and swing taken together shall, for each specific group/sub-group limit, not exceed 3 per cent of the respective agreed limit.

#### Article 7

If the information available to the Swedish authorities shows that the quantitative limit for the category of products specified in an Export Certificate has already been reached or the unused portion of that limit is insufficient to cover the goods specified in the certificate, the said authorities may refuse to admit any quantity in excess of the quantitative limit. In this event the Government of Sweden shall inform the Government of Sri Lanka as soon as possible. Should any excess quantity be permitted to enter Sweden, the Sri Lanka authorities shall, upon information by the Swedish authorities, deduct the over-shipped quantity from the relevant level which is or may be agreed upon for the following restraint period.



Article 8

Both parties regard it as essential that exports to Sweden of goods listed in Annex I are evenly spaced throughout the period of agreement and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Government of Sri Lanka undertakes to provide a procedure to achieve this.

Article 9

The Government of Sri Lanka will forward to the Government of Sweden, via the Embassy of Sweden in Colombo, quarterly statistics on a cumulative basis of the quantities of the groups 2, 3 and 10 and of the weight of the rest group, listed in Annex I, for which duly endorsed export certificates for exports to Sweden have been issued. The statistics shall reach the Government of Sweden within a period of two months from the month of reference.

The Swedish Government will forward to the Government of Sri Lanka monthly statistics on a cumulative basis of licences issued for imports from Sri Lanka of the above mentioned groups listed in Annex I. The statistics shall reach the Government of Sri Lanka, via the Embassy of Sweden in Colombo, within a period of two months from the month of reference.

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Article 10

The Government of Sweden and the Government of Sri Lanka agree to consult each other, at the request of either party, if any problem should arise from the implementation of this Agreement. The Government of Sweden and the Government of Sri Lanka agree furthermore to enter into consultations, before the end of the period of agreement on the conditions of a new Agreement.

Article 11

The Government of Sri Lanka and the Government of Sweden agree to collaborate with a view to taking appropriate action to avoid circumvention of limitations by such devices as transshipment, re-routing, fraud etc.

Article 12

Either Government may terminate this Agreement before the end of the period of validity, provided that at least sixty days' notice is given. In such event the Agreement shall come to an end on the expiry of the period of notice.

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Article 13

The Annexes of this Agreement shall be considered as integral parts of the Agreement.

Article 14

This Agreement has been drawn up in two copies in the English language, each of these texts being equally authentic.

Done in Colombo on 2nd August, 1984.

*Göran Häckstrand*

For the Government  
of Sweden

*[Signature]*

For the Government  
of Sri Lanka

## ANNEX I

## EXPORTS OF CERTAIN TEXTILES FROM SRI LANKA TO SWEDEN

(a) Group No	(b) Ex Swedish Statistical Classification No (CCCN)	(c) Description	(d) Unit	(e) Level for period 1.8.84- 31.7.85	(f) Level for period 1.8.85- 31.7.86	(g) Level for period 1.8.86- 31.7.87	(h) Level for period 1.8.87- 31.7.88
2	60.04.10- 61.03.10-	Shirts	Pcs	456.077	458.357	460.649	462.952
8	60.05.80-, 83-, 84- 61.01.005, 003, 50- 61.02.005, 60-, 99-	Trousers, other than shorts, (including work trousers e g trousers with bib and braces and trousers made of impregnated fabrics)	Pcs	189.595	190.543	191.496	192.453
10	60.05.80-, 82-, 84- 61.02.006, 50-, 99-	Blouses	Pcs	466.167	468.498	470.841	473.195

Two or more pieces of garments delivered in combination, even if packed, consigned and sold together, should be charged against the group to which every single piece of the combination belongs.

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(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Group	Ex Swedish	Description	Unit	Level for	Level for	Level for	Level for
No	Classification			1.fgr.84-	1.fgr.85-	1.fgr.86-	1.fgr.87-
	(CCCN)			31.7.85	31.7.86	31.7.87	31.7.88

# REST GROUP

1, 3 - 7, 9, 11a - d, 11f - i, 12 - 14	60.03.00-, 10-, 90-	Stockings, under stockings, socks, ankle socks, sockettes and the like, knitted or crocheted, <u>other than</u> ladies' stockings of continuous synthetic fibres	Kilo-grammes				
60.04.21-, 25-, 60-, 70-, 80-, 90-		Under garments, knitted or crocheted, <u>other than</u> shirts (ex group 2)					
60.05.10-, 20-, 30- 60-, 80-, 81- 84-, 85-, 87-, 89-		Outerwear, knitted or crocheted, <u>other than</u> trousers other than shorts (ex group 8), blouses (ex group 10) and shorts (ex group 11c)					
61.01.003, 004, 006 10-, 30-, 41-, 45-, 70-, 90-, 912, 922, 95-		Men's and boys' woven outer garments <u>other than</u> trousers other than shorts (ex group 8)		* 62.363	* 62.987	* 63.617	* 64.253
61.02.004, 006, 11-, 15-, 20-, 30-, 40-, 80-, 90-, 946, 95-, 99-		Women's, girls' and infants' woven outer garments <u>other than</u> trousers other than shorts (ex group 8) and blouses (ex group 10)					
61.03.20- 61.04.10-		Men's, boys', women's, girls' and infants' nightwear, not knitted or crocheted					

\*Out of this quantity not more than 25% may be used for Group 4, under garments; not more than 40 % may be used for Group 6, overcoats and jackets and not more than 20 % may be used for Group 11c, shorts

Two or more pieces of garments delivered in combination, even if packed, consigned and sold together, should be charged against the group to which every single piece of the combination belongs.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Group No	Ex Swedish Statistical Classification No (CCCN)	Description	Unit	Level for period 1.8.84-31.7.85	Level for period 1.8.85-31.7.86	Level for period 1.8.86-31.7.87	Level for period 1.8.87-31.7.88

REST GROUP, continued

61.01.a11 Travelling rugs and blankets

62.02.11-, 19-,  
792-3 Bed linen

62.02.31-, 39-,  
792-3 Towels and similar articles

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Definition of "Impregnated Fabrics" for the purposes of Article 4

1. Fabrics of cotton, wool or man-made fibres or any blend containing one or more of those fibres in which either wool represents 17 per cent or more by weight or any or all of those fibres in combination represent 50 per cent or more by weight of the unfinished fabric shall be defined as "impregnated fabrics" where those fabrics have been impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials whatever the nature of the plastic material (compact, foam, sponge or expanded).
2. The definition does not cover -
  - a) fabrics which, after impregnation, coating, covering or lamination, cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm at a temperature between 15 degrees C and 30 degrees C.
  - b) fabrics either completely embedded in artificial plastic material or coated or covered on both sides with such material.

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1 Exporter (name, full address, country)		EXPORT CERTIFICATE  (TEXTILE PRODUCTS)	
3 Consignee (name, full address, country)			
		4 Quota period	5 Group number
6 Place and date of shipment - Means of transport		7 Country of origin	8 Country of destination
		9 Approved and debited quantity against restraint level	
10 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS		11 Quantity or weight	12 FOB Value
13 CERTIFICATION BY THE COMPETENT AUTHORITY			
<p>I, the undersigned, certify that the goods described above are originating in in accordance with provisions in force in Sweden and these goods have been charged against the quantitative limit established for the quota year shown in box no 4 in respect of the group shown in box no 5 by the provisions regulating trade in textile products with Sweden.</p>			
14 Competent authority (name, full address, country)		At ..... on .....	
		(Signature)	(Stamp) 



ANNEX IV

For the purpose of swing, the following conversion factors shall apply:

<u>Group no</u>	<u>Description</u>	<u>Pieces per kilogrammes</u>
2	Shirts	4 5
8	Trousers, other than shorts	2.0
10	Blouses	6.0

*[Handwritten signature]*

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