

# GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1343\*

10 June 1987

## TARIFFS AND TRADE

---

Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 4

#### Modification of the Bilateral Agreement between the EEC and Thailand

#### Note by the Chairman

Attached is a notification received from the EEC of a modification of its bilateral agreement with Thailand. The parties agreed to a restraint on Category 1 (cotton yarn) for the period 1 January 1987 to 31 December 1991.<sup>1</sup>

---

<sup>1</sup> The text of the bilateral agreement is contained in TEX.SB/1335.

\* English only/Anglais seulement/Inglés solamente

COMMISSION  
OF THE  
EUROPEAN COMMUNITIES

DIRECTORATE-GENERAL  
FOR EXTERNAL RELATIONS

I-D-1

Brussels  
AP/cr

05. VI. 1987

06243

Ambassador M. RAFAELLI  
Chairman  
Textiles Surveillance Body, GATT  
Centre William Rappard  
rue de Lausanne, 154  
CH-1211 GENEVA 21

Dear 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 initialled on 28 June 1986, I have to inform you of the following.

During the course of 1986 imports of cotton yarn (category 1) from Thailand to Italy exceeded 176 tonnes, being the level at which the Community could ask for consultations with a view to establishing a regional limit under the provisions of Article 8 of the Agreement. The Community being of the view that there was real risk of market disruption in this case, the two sides consulted on 20-23 February 1987 in pursuance of Article 17 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, Thailand agreed to limit its exports as follows.

<u>Category</u>	<u>Unit</u>	<u>Member State</u>	<u>1987<sup>*)</sup></u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
1	tonnes	Italy	5,000	5,150	5,305	5,464	5,628

\*) A supplementary quantity of 400 tonnes has been agreed for the year 1987.

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,

  
G. MAZZOCCHI

Enc.

# BASKET EXIT LIMITATION

=====

CATEGORY : 1

UNITS : tonnes

COUNTRIES : Thailand / EC region - Italy

- |  |   |                          |                       |
|--|---|--------------------------|-----------------------|
| a) Date when new limit was agreed  | - | 23 February 1987         |                       |
| b) Basket Exit Level   | - | 176 tonnes               |                       |
| → c) Provisional limit introduced pending outcome of consultations                     | - | No                       | (date, pieces/tonnes) |
| d) Level of new agreed limit   | - | 5,000 tonnes             |                       |
| e) First year of application of new limit  | - | 1987                     |                       |
| f) Annual growth   | - | 3%                       |                       |
| g) Date when consultations were requested  | - | 19 December 1986         |                       |
| h) Recorded imports at date of request   | - | 3,947 tonnes             |                       |
| i) Period covered by h)  | - | January - September 1986 |                       |
| j) Imports during calendar year preceding year during which consultation was requested | - | 1,841 tonnes             |                       |

AGREED MINUTE

1. A delegation of the European Economic Community and a delegation of the Kingdom of Thailand met on 20 and 23 February 1987 in Bangkok for consultations pursuant to the pertinent Articles of the bilateral Agreement on trade in textiles.
2. As a result of these consultations, Thailand agreed to limit its exports of products falling under category 1 to the Community's region of Italy as follows:

	tonnes
1987	5,000
1988	5,150
1989	5,305
1990	5,464
1991	5,628

3. It is likewise agreed that the provisions of the Agreement which concern exports of products subject to quantitative limits established in Annex II of the Agreement shall apply to the exports referred to above from 1 January 1987.
4. In the course of the consultations Thailand has been informed of the serious concern regarding the development of exports of the same category 1 to the Community's regions of Benelux and the United Kingdom.

Thailand has agreed to enter into consultations in accordance with Articles 8 and 16 of the Agreement should such consultations be necessary.

Bangkok, 23 February 1987



For the European Economic Community



For the Kingdom of Thailand

Bangkok, February 23, 1987

Dear Mr. Skinner,

In the course of the consultations of 20 - 23 February 1987 concerning the limitation of Thailand's exports to the Community's region of Italy of products falling under category 1, Thailand indicated that because of contracts already concluded it would face difficulties with the agreed quantitative limit for Italy of 5,000 tonnes.

The delegation of the Kingdom of Thailand and the delegation of the European Economic Community agreed that a special supplementary quantity of 400 tonnes would be made available to Thailand in 1987.

Thailand indicated that in the event of quantitative difficulties arising in the remaining years of the agreement; i.e. 1988 - 1991, Thailand would request the Community authorities to consider means of resolving such difficulties.

The EEC delegation replied that reasonable and serious consideration would be given to such a request with due account being taken of the situation of the Italian industry.

I would be grateful if you would confirm that the foregoing is an accurate account of the situation.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'G. Osatananda', with a long horizontal flourish extending to the right.

(Mrs. Oranuj Osatananda)

Leader of Thai Delegation

Bangkok, February 23, 1987

Dear Mrs. Oranuj,

I hereby confirm that your letter dated 23 February 1987 concerning Thailand's exports to Italy of products falling under category 1 and more particularly concerning the supplementary quota of 400 tonnes agreed for 1987 represents an accurate account of the situation.

The Commission delegation took note of the concern expressed by Thailand regarding possible quantitative difficulties in the years 1988-1991.

A reply to requests concerning such difficulties will be made by the Community authorities with the least possible delay and in accordance with the provisions of the Agreement.

Yours sincerely,

*Roderick Skinner*

(Mr. Roderick Skinner)

Leader of the Commission Delegation