

GENERAL AGREEMENT ON

CONFIDENTIAL

TARIFFS AND TRADE

TEX.SB/1520*
28 October 1988

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

' Bilateral agreement between Norway and Philippines

Attached is a notification received from Norway of a bilateral agreement concluded with the Philippines for the period 1 January 1987 to 31 December 1991.¹

¹The previous bilateral agreement between the parties is contained in COM.TEX/SB/1094.

* English only/Anglais seulement/Inglés solamente

948

Enclosure

Dear Mr. Ambassador,

Pursuant to Article 4:4 of the Arrangement Regarding International Trade in Textiles as extended by the 1986 Protocol, I am pleased to notify the Textiles Surveillance Body of the conclusion of a bilateral agreement between the Government of the Kingdom of Norway and the Government of the Republic of the Philippines.

The agreement which covers the period 1 January 1987 - 31 December 1991, was initialled in Manila 18 March 1987, and signed in Manila 21 September 1987.

The agreement has been reached for the purpose of avoiding market disruption or risks thereof in Norway, while ensuring an orderly development of the Philippines' exports to Norway.

The former bilateral MFA-agreement between Norway and the Philippines initially included 21 categories, of which 13 were subject to quota limitations, while the remaining 8 were subject to an administrative system of surveillance. This new agreement covers a total of 8 categories, all of which are subject to quota limitations.

H.E. Mr. Marcello Raffaelli

Ambassador

Chairman of the Textiles Surveillance Body,

GATT

Geneva

For the categories which are left under quota limitations, increases in base levels vary between 16 and 52 per cent.

In the new agreement, growth rates are set at 3 per cent, while growth rates for the 8 currently restrained categories, in the previous agreement were in the range of 0.1 - 0.5 per cent.

In contrast to the former agreement, the new agreement includes all types of flexibility for all categories under quota restriction. Carry forward/carryover are in all cases higher than in the previous agreement.

As to the flexibility provisions in the agreement as well as the rates of growth, reference is made to annex B of the Arrangement and paragraph 12 of the 1986 Protocol of Extension.

Norway is a small market, with an exceptionally high level of imports and a correspondingly low level of domestic production, and is thus particularly exposed to the problems arising from imports causing market disruption. In spite of this Norway has, in its bilateral MFA-agreement with the Philippines agreed to reductions in the number of categories covered by the agreement, increases in growth rates and introduction of all kinds of flexibility into the agreement.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Martin Huslid', with a stylized, flowing script.

Martin Huslid

Ambassador

Permanent Representative

AGREEMENT BETWEEN
THE GOVERNMENT OF NORWAY
AND
THE GOVERNMENT OF THE PHILIPPINES
RELATING TO THE EXPORTS FROM THE PHILIPPINES OF
CERTAIN TEXTILE PRODUCTS FOR IMPORTS INTO NORWAY

A handwritten signature in cursive script, likely of a Philippine official, located to the right of the title text.

2.8.7.

I n t r o d u c t i o n

1. This Agreement sets out the arrangements that have been made between the Government of Norway and the Government of the Philippines regarding the exports of certain textile products from the Philippines for imports into Norway.
2. These arrangements have been made having regard to the Arrangement Regarding International Trade in Textiles, (hereinafter referred to as "the MFA") as extended by the Protocol of 31.7. 1986, bearing in mind particularly the provisions of Article 1:2 and Article 4 of the MFA.

C o v e r a g e

3. These arrangements apply to the Philippine exports to Norway of the textile products listed in Annex A to this Agreement, when these are made of cotton, wool or man-made fibres, or blends 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) of the product.



2.8.7.

C l a s s i f i c a t i o n

4. For the purpose of classifying textile products in the appropriate category, the definition set out in Annex A will apply.
5. In case of divergent opinions between the competent authorities of the Philippines and the competent Norwegian authorities at the point of entry into Norway on the classification of products covered by this Agreement, consultations as provided for in Article 14 of this Agreement shall be held with a view to reaching agreement on the appropriate classification of the products concerned and to resolving any difficulties arising therefrom. For this purpose, the authorities of the Philippines shall be informed by the competent authorities in Norway as soon as a case of divergent opinions on the classification of products arises.

Pending agreement on the appropriate classification and in order to avoid disruption of trade, the products in question shall be imported on the basis of the classification indicated by the competent Norwegian authorities at the point of entry, in conformity with the provisions of this Agreement.



2.8.7.

R e s t r a i n t L e v e l s

6. For products listed in Annex B to this Agreement, the Philippines shall for each quota period during the term of this Agreement restrain its exports to Norway to the limits set out in Annex B, or the limits modified as provided for in this Agreement.

F l e x i b i l i t y P r o v i s i o n s

7. (a) Carryover. If in any restraint period of this Agreement, levels specified in Annex B of this Agreement for any categories are not fully utilized, the Government of the Philippines may, after prior notification to the Government of Norway, during the subsequent twelve month period, approve the export of additional amounts equivalent to such shortfalls provided that such exports are in the same categories where the shortfalls occurred and do not exceed the percentages set out under column (d), Annex B, computed on the basis of the levels for the subsequent twelve month period.

- (b) Carryforward. During each restraint period of this Agreement, the Government of the Philippines may, after prior notification to the Government of Norway, approve the export of amounts in excess of the levels specified in

2.8.7.



Annex B to this Agreement up to the percentages set out in Annex B under column (e), computed on the basis of the levels for the current restraint period. Where the specific levels have been increased by carryforward the Government of the Philippines shall inform the Government of Norway of the carryforward quantities and debit these to the corresponding levels which are agreed or may be agreed upon for the subsequent period.

(c) Swing. During each restraint period of this Agreement, the Government of the Philippines may, after prior notification to the Government of Norway, approve the export of amounts in excess of the levels specified in Annex B to this Agreement up to the percentages set out in Annex B under column (f), computed on the basis of the levels for the current restraint period. Where specific levels have been increased by swing, a corresponding reduction shall be made in one or more of other levels calculated on the basis of the conversion factors listed in Annex B, column (h).

(d) Total flexibility. During each restraint period of this Agreement, the additional export quantities resulting from carryover, carryforward and swing taken together shall, for each specific level, not exceed the percentages set out in Annex B under column (g).



2.8.7.

A d m i n i s t r a t i o n

8. Exports from the Philippines to Norway of textile products listed in Annex B shall be subject to a double-checking system of export and import licensing as specified in Annex C of the Agreement.

C i r c u m v e n t i o n

9. The Government of the Philippines and the Government of Norway agree to cooperate fully in dealing with problems relating to circumvention of the arrangements set out in this Agreement.

When information available to the Norwegian authorities indicates that products of Philippine origin listed in Annex B to this Agreement have been imported into Norway by transshipment rerouting or otherwise, in circumvention of the arrangements set out in this Agreement, Norway may ask for consultations as provided for in Article 14 of this Agreement, with a view to agree on an appropriate adjustment of the quantitative limits for the products concerned.



2.8.9.

If the parties fail to reach a mutually satisfactory solution within a period of 51 days from the date when the request for consultations was made, the Norwegian authorities shall, if evidence of circumvention has been provided, have the right to carry out a compensatory reduction of the corresponding restraint level for the current or the following calendar year.

S e a s o n a l f l u c t u a t i o n s

10. The government of the Philippines will endeavour to ensure that exports of textile products subject to quantitative limits are spaced out as evenly as possible each calendar year, due account being taken of normal seasonal factors.

R u l e s o f O r i g i n

11. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in Norway and the procedures for control of the origin of the products set out in Annex C.



2.8.7.

R e - e x p o r t s

12. Exports from the Philippines to Norway of textile products covered by this Agreement shall not be subject to the quantitative limits established in Annex B, provided that the export license certifies that the products concerned are for re-export outside Norway.

Where the competent Norwegian authorities have evidence that products exported from the Philippines and set off by the Philippines against a quantitative limit established in Annex B have been subsequently re-exported outside Norway, the Norwegian authorities shall within 60 days from date of re-exports notify the Government of the Philippines of the quantities involved. Upon receipt of such notification, the government of the Philippines may authorize exports for the current calendar year of identical quantities of products within the same category, which shall not be set off against the quantitative limits established in Annex B.

E x c h a n g e o f S t a t i s t i c s

13. For all products covered by this Agreement the Government of the Philippines undertakes to provide the government of Norway with quarterly statistics of all export licenses issued by the authorities for each category for the current quota period. For products listed in Annex B, these statistical reports shall also set out:

2.8.7.



- i. the maximum export level for each category for the relevant quota period.
- ii. the modified limit if the quota has been modified as provided for in Article 7 of this Agreement, and
- iii. the rate of utilization of the quota.

The Government of Norway will provide the Government of the Philippines with quarterly statistics of licences issued and quarterly statistics for actual imports from the Philippines of all categories covered by this Agreement.

Each quarterly report shall be transmitted before the end of the following month.

C o n s u l t a t i o n s

14. The government of the Philippines and the government of Norway agree to consult at the request of either government, on any question arising in the application of this Agreement or on any question on textile products (not covered by this Agreement) in accordance with the provisions of the MFA. Any request for consultations shall be notified in writing to the other part, together with a statement explaining the reasons and circumstances that led to the request.



2.8.9.

The parties shall enter into consultations within 21 days at the latest from when the request was made with a view to arriving at a mutually satisfactory conclusion in conformity with the provisions of the MFA within a further 30 days at the latest.

O t h e r T e x t i l e P r o d u c t s

15. The Norwegian Government reserves its rights under the MFA with respect to textile products not covered by this Agreement.

G e n e r a l

16. The present Agreement shall enter into force when the parties have notified each other that all internal procedures which are necessary for the fulfilment of the obligations in the Agreement have been completed.

Provided that such notifications have taken place, the Agreement shall apply with effect from 1 January 1987 until 31 December 1991 unless this is changed by application of the provisions of Article 17 of this Agreement.

17. Either party may at any time propose modifications to this Agreement. Such proposals shall lead to consultations in accordance with the procedures outlined in Article 14.



2.88.2.

Either party may at any time denounce this Agreement provided that at least 60 days' notice is given. In that event the Agreement shall come to an end on the expiry of the period of notice.

18. The Annexes to this Agreement shall be considered as an integral part thereof.



2.8.2.

ANNEX A

<u>Category Number</u>	<u>Unit</u>	<u>Description</u>
1	Pieces	Outer garments of woven material, men's, boys', women's, girls': - Jackets: Tailored jackets, blazers, waist-coats, sports jackets (including parts of ski suits), anoraks and similar garments, parkas, one-piece suits and the like, also as part of suits, sets and costumes
2	Pieces	Outer garments of woven material, men's, boys', women's, girls': - Trousers, slacks, jeans, breeches and the like (including bib and brace overalls), other than swimwear and shorts, also as parts of suits and sets
3	Pieces	Knitted or crocheted shirts, T-shirts and blouses of all kinds
4	Pieces	Knitted or crocheted under garments, men's, boys', women's, girls', infants', other than T-shirts, blouses, night wear and panty hose



2.8.7.

- | | | |
|---|--------|---|
| 5 | Pieces | Men's and boy's shirts of all kinds, of woven material |
| 6 | Pieces | Outer garments and other articles, knitted or crocheted, not elastic nor rubberised:
- Pullovers, sweaters, jumpers, cardigans and jackets |
| 7 | Kgs | Bed linen |
| 8 | Pieces | Outer garments of woven material; women's, girls':
- Blouses, shirts and the like |

C. J.

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A N N E X B

(a) Cat. No.	(b) Restraint Level 1 Jan.-31 Dec. 1987	(c) Annual Growth Rate Percentages	(d) Carryover Percentages	(e) Carryforward Percentages	(f) Swing Percentages	(g) Total Flex. Percentages	(h) Conversion Factor Unit Per Kg.
1	55,000 pcs.	3	10	5	3	10	1.2
2	170,000 pcs.	3	10	5	3	10	1.2
3	75,000 pcs.	3	10	5	3	10	4.0
4	120,000 pcs.	3	10	5	5	10	12.0
5	145,000 pcs.	3	10	5	3	10	3.0
6	160,000 pcs.	3	10	5	5	10	3.0
7	13,000 kgs.	3	10	5	3	10	1.0
8	100,000 pcs.	3	10	5	5	10	3.0

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ANNEX C

ADMINISTRATIVE COOPERATION

1. The competent authorities of the Philippines shall issue an export license/certificate of origin in respect of all exports from the Philippines to Norway of products covered by Annex A. The export license/certificate of origin shall be issued by the Garments and Textile Export Board of the Philippines.

2. For categories covered by Annex B, the export license/certificate of origin shall conform to the specimen attached as Annex D. The authorities of the Philippines shall issue export licenses/certificates of origin up to the quantitative limits set forth in Annex B (as modified in accordance with Article 7 of this Agreement). The export license/certificate of origin must certify that the quantity of the product in question has been set off against the quantitative limit prescribed for the category of the product in question.



3. Each export license/certificate of origin shall cover not more than 3 categories of products listed in Annex A to this Agreement.
4. Exports shall be set off against the quantitative limits established for the year in which shipment of the goods has been effected.
5. The presentation of an export license/certificate of origin pursuant to Paragraph 7 below, shall be effected not later than 31 January of the year following the year in which the goods covered by the export license/certificate of origin have been shipped.
6. Importation into Norway of textile products subject to quantitative limits shall be subject to the presentation of appropriate import documents.

The competent Norwegian authorities shall issue such import documents automatically within ten working days of the presentation by the importer of the original of the corresponding export license/certificate of origin.



7. The competent Norwegian authorities must be notified forthwith of the withdrawal or alteration of any export license/certificate of origin already issued.

The competent Norwegian authorities shall cancel the issued import documents if the corresponding export license/certificate of origin has been withdrawn.

However, if the competent Norwegian authorities have not been notified about the withdrawal or cancellation of the export license/certificate of origin until after the products have been imported into Norway, the quantities involved shall be set off against the quantitative limit for the category and quota year in question and the authorities of the Philippines shall be informed as soon as possible.

8. If the competent Norwegian authorities find that the total quantities covered by export licenses/certificates of origin issued by the authorities of the Philippines for a particular category in any quota period exceed the quantitative limit established for that category, the said authorities may suspend the further issue of import documents. In this event, the competent Norwegian authorities shall immediately inform the authorities of the Philippines and the special consultation procedure set out in Article 14 of the Agreement



2.8.7.

shall be initiated forthwith.

9. Exports of Philippine origin not covered by export licenses/ certificates of origin issued by the authorities of the Philippines in accordance with the provisions of this Annex, shall not be issued appropriate import documents by the competent Norwegian authorities.
10. The export license/certificate of origin may comprise additional copies duly indicated as such. They shall be made out in English. If they are completed by hand, entries must be in ink and in printscript.

Only the original, clearly marked "original" shall be accepted by the competent authorities in Norway as being valid for the purposes of export to Norway in accordance with the arrangements established by this Agreement.

11. Each export license/certificate of origin shall bear a serial number, by which it can be identified.

The export license/certificate of origin shall also indicate



2. 8. 7.

the name and address of the manufacturer, if different from the exporter. The detailed description of the goods shall include tariff classification numbers, if possible both in the system of the Philippines and of Norway.

12. In the event of theft, loss or destruction of an export license/ certificate of origin, the exporter may apply to the competent governmental authority which issued the document for a duplicate to be made out on the basis of the export documents in his possession.

The duplicate must bear the date of the original export license/ certificate of origin.

13. The Government of the Philippines shall send the Norwegian Ministry of Trade the names and addresses of the governmental authorities competent to issue and verify export licenses/ certificates of origin together with specimens of the stamps used by these authorities. The Government of the Philippines shall also notify the Ministry of any change in this information.



2.8.7.

(1) Show net weight (kg) and also quantity in the unit prescribed for category where other than net weight.
(2) In the currency of the sale contract

1 Exporter (name, full address, country)		ORIGINAL		2 GTBB EL/CO NW NO. 00049	
		3 Agreement Period		4 Category Number	
5 Importer (name, full address, country)		PHILIPPINES — NORWAY TEXTILES AGREEMENT EXPORT LICENSE/CERTIFICATE OF ORIGIN (Textile Products)			
		6 Country of Origin		7 Country of Destination	
8 Place and Date of Shipment — Means of Transport		9 Supplementary Details			
10 Marks and Numbers — Number and Kind of Packages — DESCRIPTION OF GOODS				11 Quantity (1)	
				12 FOB Value (2)	
13 CERTIFICATION BY THE COMPETENT AUTHORITY I, the undersigned, certify that the goods described above are originating in the Philippines and have been charged against the quantitative limit established for the period shown in box No. 3 in respect of the category shown in box No. 4 by the provisions regulating trade in textile products with Norway.					
14 Competent Authority (name, full address, country)				At on	

J.F.P.

[Signature]

(Signature)

(Stamp)