

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1571*

24 May 1989

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendment of the Agreement between Norway and China

Note by the Chairman

Attached is a notification received from Norway of an amendment of its agreement with China.

* English only/Anglais seulement/Inglés solamente

SHORT REASONED STATEMENT

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 an amendment of the bilateral agreement between the Government of the Kingdom of Norway and the Government of the People's Republic of China, which covered the period 1 January 1986 to 31 December 1988.

In accordance with Article 9 of the bilateral agreement Norway requested in May 1987 that China restrained its export of category 8 products. Imports of blouses had increased from 887 pieces in 1985 to 76.038 pieces in 1986. In the twelve month period 1 April 1986 - 31 March 1987, imports reached 126.235 pieces. The average import price from China was NOK 36,63 pr. piece, substantially below the price of domestic Norwegian production at NOK 83,25 pr. piece.

On 19 November 1987 Norway and China agreed on a restraint for the 1988 calendar year for product category 8 (woven blouses). The quota was set at 250.000 pieces, and the swing rate was set at 2 per cent.

The new restraint was agreed for the purpose of avoiding market disruption or risks thereof in Norway, while ensuring an orderly development of China's exports to Norway.

As to the swing rate, reference is made to Annex B, paragraph 2 of the Arrangement and paragraph 12 of the 1986 Protocol of Extension.

AGREED MINUTES

With reference to paragraph 9 of the Agreement between the Government of the Kingdom of Norway and the Government of the Peoples Republic of China relating to the exports from China of certain textile products for imports into Norway signed in Beijing 4. Desember 1986, consultations were held in Oslo between the Royal Norwegian Ministry of Trade and Shipping and the Embassy of the Peoples Republic of China with the aim of finding a mutually acceptable solution to the problems arising from a sharp and substantial increase in imports of category 8.

During the consultations it was agreed that for category 8, as described in Annex A of the Agreement, China shall for the calendar year 1988 limit its export to Norway to 250.000 pieces. For this category swing may be applied at a rate of 2 per cent. For the purpose of swing, a conversion factor of 3.0 pieces per kg shall be applied.

Done at Oslo 19 November 1987.

For the Government
of the Kingdom of Norway

For the Government of the
Peoples Republic of China