

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1682*

25 September 1990

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 Hong Kong

Note by the Chairman

Attached is a notification received from the EEC of a modification of its bilateral agreement¹ with Hong Kong resulting from the implementation of the Harmonized System.

¹The bilateral agreement is contained in COM.TEX/SB/1372.

* English only/Anglais seulement/Inglés solamente



COMMISSION
OF THE EUROPEAN
COMMUNITIES

Brussels 10.09. 99 127275

DIRECTORATE-GENERAL
EXTERNAL RELATIONS

Dear Ambassador,

In connection with the European Economic Community's Agreements in textile products with Hong Kong, Philippines, Thailand, Pakistan, India and China negotiated under Article 4 of the Arrangement, I have to inform you of the following.

Between 1987 and 1989, the Community had several consultation meetings with the above mentioned countries in order to adjust the quantitative limits for a number of products affected by the implementation of the Harmonized System in accordance with Paragraph 18 of the Protocol extending the Arrangement.

The modified quantitative limits contained in the Agreed Minutes annexed to this letter are herewith communicated under Article 4 paragraph 4 of the Arrangement, as a modification to Community's Agreements with Hong Kong, Philippines, Thailand, Pakistan, India and China.

The Community intended to present these modifications once it had completed its consultations with all the countries concerned. However, since the consultation with one country has been inconclusive, the Community prefers to present the above mentioned modifications without further delay.

Yours sincerely,

Danièle Smadja

Ambassador M. RAFFAELLI
Chairman
Textiles Surveillance Body
Centre William Rappard
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Agreed Minute

A delegation of the Hong Kong Government and a delegation of the European Community met in Brussels on 23 October 1987 for consultations in accordance with Article 14 of the Agreement on Trade in textile products between Hong Kong and the Community initialled on 2 October 1986 in Brussels.

2. Having regard to the definition of suits that would be applicable under the Harmonised System to be introduced with effect from 1 January 1988, the two parties agreed to amend the quantitative limits established in Annex II of the said Agreement as follows:

<u>Category</u>	<u>Brief Description</u>	<u>Unit</u>	<u>Year</u>	<u>Quantitative limits EEC</u>
4	Knitted shirts/ T-shirts	1 000 pcs	1988	25 144
			1989	25 320
			1990	25 497
			1991	25 675
4(S)	Knitted tops	Tonnes	1988	1 721
			1989	1 764
			1990	1 808
			1991	1 853
5	Knitted jerseys	1 000 pcs	1988	27 389
			1989	27 553
			1990	27 718
			1991	27 884
6	Men's or boys' and women's and girls' woven trousers and men's shorts and breeches	1 000 pcs	1988	52 709
			1989	52 973
			1990	53 238
			1991	53 504
6A	of which trousers	1 000 pcs	1988	43 847
			1989	44 066
			1990	44 286
			1991	44 507
7	Blouses and shirt- blouses, woven, knitted or crocheted	1 000 pcs	1988	29 768
			1989	30 006
			1990	30 246
			1991	30 488
8	Men's woven shirts	1 000 pcs	1988	47 266
			1989	47 550
			1990	47 835
			1991	48 122
16	Men's or boys' woven suits and ensembles	1 000 sets	1988	2 096
			1989	2 127
			1990	2 159
			1991	2 191

<u>Category</u>	<u>Brief Description</u>	<u>Unit</u>	<u>Year</u>	<u>Quantitative limits EEC</u>
21	Woven blousons, etc.	1 000 pcs	1988	15 808
			1989	16 045
			1990	16 286
			1991	16 530
27	Woven and knitted or crocheted skirts	1 000 pcs	1988	8 896
			1989	9 074
			1990	9 255
			1991	9 440
28 (UK only)	Knitted trousers	1 000 pcs	1988	1 048
			1989	1 074
			1990	1 101
			1991	1 129
28(S) (UK only)	Knitted shorts and bib and brace overall	Tonnes	1988	200
			1989	205
			1990	210
			1991	215
29	Women's or girls' woven suits and ensembles	1 000 sets	1988	2 293
			1989	2 350
			1990	2 409
			1991	2 469
74	Women's or girls' suits and ensembles knitted or crocheted	1 000 sets	1988	865
			1989	900
			1990	936
			1991	973
78	Other woven garments	Tonnes	1988	8 038
			1989	8 239
			1990	8 445
			1991	8 656
83	Knitted jackets and other knitted garments		1988	343
			1989	352
			1990	361
			1991	370

3. It was further agreed that regional shares under the said agreement for the year 1988 will show positive annual growth for each region as if the regional shares communicated under the Community's Note Verbale No 01316 dated 3 February 1987 had been amended as follows:

/Year




Year: 1987

Cat	Unit	D	F	I	BNL	UK	IRL	DK	GR	ESP	PORT	TOTAL
4	1 000 pcs	9 168	840	795	2 215	11 036	151	629	96	31	8	24 969
4(S)	Tonnes	365	116	94	165	882	7	30	9	9	2	1 679
5	1 000 pcs	11 065	820	713	2 227	11 453	58	752	104	26	8	27 226
6	1 000 pcs	20 775	1 269	1 115	3 222	23 186	101	2 499	191	65	24	52 447
6A	1 000 pcs	15 906	1 000	839	2 580	20 722	80	2 301	154	36	11	43 629
7	1 000 pcs	17 362	724	731	2 551	7 424	34	627	31	43	5	29 532
8	1 000 pcs	19 080	798	1 549	3 137	20 433	62	1 795	41	79	10	46 984
16	1 000 sets	1 000	201	89	274	444	6	27	11	11	2	2 065
21	1 000 pcs	7 354	563	435	1 302	4 951	34	830	40	53	12	15 574
27	1 000 pcs	4 286	468	431	1 017	2 159	32	250	37	36	6	8 722
28 (UK)	1 000 pcs	-	-	-	-	1 022	-	-	-	-	-	1 022
28(S)	Tonnes	-	-	-	-	195	-	-	-	-	-	195
29	1 000 sets	1 071	119	87	236	666	5	31	13	6	3	2 237
74	1 000 sets	264	29	61	96	313	6	30	15	14	4	832
78	Tonnes	3 387	505	408	766	2 251	52	403	50	17	3	7 842
83	Tonnes	72	23	18	33	177	1	6	2	2	1	335

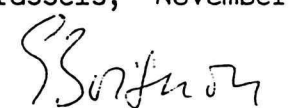
4. It was noted that the above quota adjustment included adjustments in respect of 48 574 two-piece suits of which the upper garments, comprising shirts, blouses or shirt-blouses (conforming to Categories 4, 7 or 8), are made up in identical fabric as the lower garment except that certain patches or trimmings are present on one of the upper or lower garments. In the event that it becomes clearly established during 1988 that, notwithstanding the introduction of the Harmonised System, such combinations of upper and lower garments continue to be classified as suits, the two parties agreed that, at the request of the Community, consultations would be held, prior to 1 October 1988, under the terms of Article 14 of the said Agreement in order to agree appropriate variation of the above quota adjustments with effect from 1 January 1989 in respect of these 48 574 suits.

5. Except for the matter addressed in paragraph 4 above, the two parties agreed that the above quota adjustments fully met their undertaking, in the said Agreement, to address the problem arising from the changed definition of suits consequent on the introduction of the Harmonised System.



Delegation of the Hong Kong
Government

Brussels, November 1987



Delegation of the European
Economic Community

AGREED MINUTE

A delegation of the Hong Kong Government and a delegation of the European Community met in Brussels on 13 April 1988 for consultations on problems arising from the transfer of rubberised knitted gloves from Category 67 to Category 10 on the implementation of the Harmonised System. The consultations were conducted in accordance with Article 14(3) of the Agreement of Trade in Textile Products between Hong Kong and the Community initialled on 2 October 1986 in Brussels.

As a result of the consultations, the two parties agreed to add the following quantities to the quantitative limits for Category 10 established in Annex II of the said Agreement :

<u>Year</u>	<u>Additional Quantity</u>
	<u>'000 pairs</u>
1988	3.862
1989	3.939
1990	4.018
1991	4.098

3. It was further agreed that the regional shares for Category 10 for the year 1988 as indicated in the Annex to the Community's Note Verbale dated 4 March 1988 will be increased in consequence of the additional quantity referred to in paragraph 2 above by not less than the following quantities :

<u>Region</u>	<u>Additional Quantity</u>
	<u>'000 pairs</u>
D	1.944
F	268
I	658
BNL	181
UK:	495
IRL:	13
DEN	48
GRE	-
SPA	124
POR	-

14

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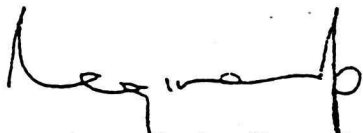
4. The two parties also confirmed that the sub-limits for the United Kingdom within the quantitative limits for Category 10 established in Annex II of the said Agreement will apply to gloves impregnated coated or covered with plastics covered by 1988 CN code 6116.10.10 and the sub-limits for these products remain as set out in Annex II of the Agreement.

5. As foreshadowed in the Agreed Minute between Hong Kong and the Community dated 23 March 1988, the two parties agreed that the special swing arrangement established under the said agreed minute will cease. The quantities of rubberised knitted gloves shipped under this arrangement are debited to the new quota level introduced for Category 10 for the year 1988, and the quotas from which the special swing out was effected are reccredited.

6. It is understood that all rubberised gloves exported from Hong Kong from 1 January 1988 are to be debited against Category 10 quota.

7. A point concerning the origin definition for the rubberised gloves was raised by the Community and both parties agreed to clarify the matter at a later date.

Brussels, 14 April 1988



Delegation of the Hong Kong
Government



Delegation of the European
Economic Community

AGREED MINUTE

A delegation of the Hong Kong Government and a delegation of the European Community met in Brussels on 13 June 1989 for consultations on problems arising from the adoption, following introduction of the Harmonised System, of clarification by the CCC that short knitted garments with ribbing at the bottom should be classified under Category 5, and the pursuant change adopted by the EC to classify these garments under Category. The consultations were conducted in accordance with Article 14'3) of the Agreement on Trade in Textile Products between Hong Kong and the Community initialled on 2 October 1986 in Brussels.

2. As a result of the consultations and having regard to the migration of short knitted garments with ribbing at the bottom from Categories 4, 7 and 83 to Category 5, the two parties agreed to add the following quantities to the quantitative limits for Category 5 established in Annex II of the said Agreement :

1989	108.000
1990	109.000
1991	110.000

3. It was further agreed that the regional shares for Category 5 for the year 1989 will be increased in consequence of the additional quantity for Category 5 referred to in paragraph 2 above by the following quantities :

Region	Additional Quantity in 1000 pieces
FRG	7
FRA	3
UK	94
IRE	4

82

92

4. As regards the regional shares for Categories 4, 7 and 83 for the year 1989, it was agreed that they will be decreased in consequence of the quantities to be deducted from Category 5 referred to in paragraph 3 above by the following quantities :

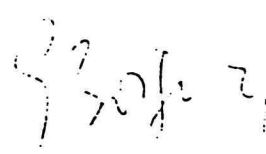
(1000 pieces)	FRG	FRA	UK	IRE
Cat. 4	4	-	34	4
Cat. 7	-	3	-	-
Cat. 83 (tonnes)	1	-	11	-

Brussels, 13 June 1989.

Delegation of the Hong Kong
Government



Delegation of the European
Economic Community



Agreed Minute

A delegation of the Hong Kong Government and a delegation of the European Community met in Brussels on 28 July 1989 for consultations on problems arising from the revision in classification criteria for tracksuits which followed the introduction of the Harmonised System. The consultations were conducted in accordance with Article 14(3) of the Agreement on Trade in Textile Products between Hong Kong and the Community initialled on 2 October 1986 in Brussels.

2. As a result of the consultations and having regard to the migration of tracksuits from categories 5, 28, 74 and 75 to category 73 the two parties agreed to add the following quantities to the quantitative limits for category 73 established in Annex II of the said Agreement:

1989	41,000
1990	42,000
1991	43,000

3. It was further agreed that the regional shares for category 73 for the year 1989 will be increased in consequence of the additional quantity for category 73 referred to in paragraph 2 above by the following quantities:

<u>Region</u>	<u>Additional Quantity in 1000 sets</u>
FRG	12
FRA	1
BNL	9
UK	18
DEN	1

4. As regards the regional shares for categories 5 and 74 for the year 1989, it was agreed that they will be decreased in consequence of the quantities to be added to category 73 referred to in paragraph 3 above by the following quantities: -

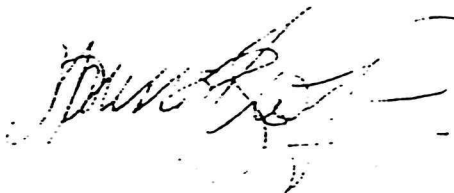
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(1000 pieces)

	FRA	BNL	UK
Cat. 5	1	3	NIL
Cat. 74	NIL	1	8

Brussels, 28 July 1989



Delegation of the Hong Kong
Government



Delegation of the European
Economic Community