GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1684* 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 Thailand

Note by the Chairman

Attached is a notification received from the EEC of a further modification of its bilateral agreement with Thailand resulting from the implementation of the Harmonized System.

¹The bilateral agreement and previous modifications are contained in COM.TEX/SB/1277, 1278, 1339 and 1496.

^{*}English only/Anglais seulement/Inglés solamente



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 rue de Lausanne, 154 CH-1211 GENEVA 21

In the course of consultations between the European Economic Community and the Kingdom of Thailand, held in Brussels on 10 April 1987, in order to examine the possibility of correcting the quantitative adjustment for category 4 agreed during the negotiation of the bilateral Agreement on trade in textiles initialled on 28 June 1986 to allow for classification changes in view of the introduction of the Harmonised System, the two parties agreed to modify the above Agreement as follows:

In Annex II Category 4 is modified as follows:

1. Special quantities are established in addition to the existing quantitative limits as indicated below:

	Tonnes
	EEC
1987	620
1988	651
1989	684
1990	718
1991	754

These special quantities will be used for exports of products covered by 1987 NIMEXE CODES 60.05-86,87, 88 and 89 only.

From the entry into force of the Community nomenclatures based on the Harmonised System, these special quantities will be used for export of products covered by Harmonised System Codes 61.05-10, 20, 90 only. For administrative control purposes the Thai export licence will show Category 4 (S) as the pertinent category in respect of the products to be exported under these special quantities.

2. The quantitative limits for category 4 set out in A_{n} nex II of the above Agreement are modified as follows:

	1,000 pieces
	EEC
1987	10,644
1988	11,176
1989	11,735
1990	12,322
1991	12,938

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These quantities will be used for export of products covered by 1987 Nimexe Codes 60.04-19, 20, 22, 23, 24, 26, 39, 41, 50, 58, 69, 71, 79, 88.

From the entry into force of the Community nomenclatures based on the Harmonised System, these quantities will be used for export of products covered by Harmonised System Codes 61 05.10, 20, 90; 61 09.10, 90 and ex 61 10.20, ex 30 only. It is understood that there will be no transfer between these products and the products mentioned under point 1 above.

3. The provisions of the Agreed Minute shall enter into force on the first day of the month following the date of its signature. They shall apply with effect from 1 January 1987.

Head of Delegation of the Kingdom of Thailand

Head of Delegation of the European Economic Community

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- 1. Delegations of the European Economic Community and the Kingdom of Thailand met in Brussels on 15 January 1988, at the request of the latter, to examine certain questions concerning the application of the bilateral textile trade Agreement initialled on 28 June 1986.
- The Thai delegation referred to certain problems encountered in the management of the special quantities "4 S" expressed in tonnes, established by the Agreed Minute signed on 10 April 1987 (applicable to products covered by NC codes 6105.10-00, 6105.20-10, 6105.20-90 and 6105.90-10).

As a result of this consultation it was agreed that a quantity representing 25 % of the said special quantities for each region of the Community shall be transferred to the regional quota for cat. 4 products (covered by NC codes 6105.10-00, 6105.20-10, 6105.20-90, 6105.90-10, 6109.10-00, 6109.90-10, 6109.90-30, 6110.20-10 and 6110.30-10) expressed in pieces at the conversion factor of 6,48 pieces per kilo as set out in Annex I of the bilateral Agreement.

The Community stated that it was prepared to envisage, upon request, a similar annual transfer in the remaining years of the Agreement.

3. The Thai delegation referred to the new definitions of suits and ensembles falling within categories 16, 29, 74 and 75 in force in the Community since 1 January 1988 as a result of the introduction of the Combined Nomenclature. In their view, this change of definitions called for an adjustment of the quantitative limits of the categories affected by this change.

The Community declared its readiness to examine the matter but added that any such adjustment required a thorough investigation of the relevant trade patterns prevailing before the introduction of the Combined Nomenclature, and could only be carried out on the basis of adequate documentation and other relevant evidence.

In view of the fact that sufficient evidence was not yet available, it was agreed that a further meeting should take place as soon as possible in order to arrive at a definitive conclusion.

Pending this definitive conclusion, and without prejudice to the final outcome of the consultations, the following interim arrangement was agreed in order to facilitate the flow of trade:

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- (i) For products which before 1 January 1988 fell within categories 16, 29, 74 and 75 but since that date can no longer be classified under these same categories, the Thai authorities shall issue separate export licenses for the individual components under the appropriate category according to the Combined Nomenclature.
- (ii) These export licenses shall bear in Box 9 the following wording in capital letters: "EX-COORDINATE SUITS 1987 DEFINITION".
- (iii) These specially marked licenses shall be issued for the following categories and up to the following maximum amounts:

For products formerly falling within category 16:

		D	F	BNL
Cat.	21	73,325	40,900	28,940
Cat.	6	73,325	40,900	28,940

For products formerly falling within category 29 :

		D	F	BNL	UK	DK	ES
Cat.	7	21,189	150	5,211	2,600	4,200	100
Cat.	21	190,698	1,350	46,895	23,400	37,800	900
Cat.	6	148,321	1,050	36,474	18,200	29,400	700

For products formerly falling withing category 74:

	. D	F	BNL	UK	DK	GR	ES
Cat. 5	33,700	69,441	93,450	28,836	52,240	1,500	6,000

For products formerly falling within category 75:

	D	F	BNL	UK	DK	ES
Cat. 5	120,500	57,700	43,850	38,448	6,000	600

(iv) The quantities covered by the special export licenses shall be set off, under separate account, against the appropriate quantitative limits for these categories as set out in Annex II of the Agreement. However, should the parties, at the end of the consultations, agree on special supplementary quantities for those categories in which the individual components of the products formerly falling within categories 16, 29, 74 and 75 should now be classified, the quantities covered by the special licenses shall then be set off against the available supplementary quantities.

Head of Delegation of the Kingdom of Thailand

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Head of Delegation of the European Economic Community

Brussels, 15 January 1988

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- 1. Delegations of the EEC and the Kingdom of Thailand met in Brussels on 23-24 March 1988, in accordance with the provisions of Article 16 of the Agreement on trade in textiles initialled on 28 June 1986.
- 2. The two parties discussed Thailand's request that, in order to resolve certain problems of management, the special quantities 4S (expressed in tonnes) established by the Agreed Minute between the EEC and Thailand of 10 April 1987 be merged with the Category 4 quantitative limits (expressed in pieces).
- 3. It was agreed that the said special quantities will be merged with the normal Category 4 limits, on the basis of the conversion factor of 6.48 pieces per kilogram set out in Annex I of the Agreement, for the years 1988 to 1991.
- 4. Accordingly, the two sides agreed that the quantitative limits for Category 4, as set out in Annex II of the Agreement and as amended by the Agreed Minute of 10 April 1987, are to be modified as follows:

Category	Unit	Year	EEC limit
4	1000 pcs.	1988	15,394
		1989	16,167
		1990	16,975
		1991	17,824

4. The provisions of this Agreed Minute shall enter into force on the first day of the month following the date of its signature. They shall apply with effect from 1 January 1988.

Head of Delegation of the Kingdom of Thailand Head of Delegation of the European Economic Community

Brussels, 25 March 1988

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- 1. Delegations of the EEC and the Kingdom of Thailand met in Brissels on 15 January, 23-24 March and in Bangkok on 20-21 April 1988, in accordance with the provisions of Article 16 of the Agreement on trade in textiles initialled on 28 June 1986, in order to examine the latter's request for an adjustment of the quantitative restrictions on certain products affected by the new definition of suits and ensembles following the implementation of the Harmonised System.
- 2. The two parties agreed that additional quantities would be reserved, under categories 4 and 5, for the export of the respective individual components of those sets of upper and lower garments, put up together in a package for retail sale, which conformed with the CCT Nomenclature definition of suits and ensembles but which do not comply with the new definition under the Combined Nomenclature, as follows:

1000p.	EEC	D	F	I	BNL	UK	DK	ES
<u>Cat. 4</u>								
1988 1989 1990 1991	2,191 2,322 2,461 2,610	1,179 1,250 1,325 1,405	210) 223 236 250	11 11 12 13	142 151 160 170	633 670 710 753	14 15 16 17	2 2 2 2
<u>Cat. 5</u>								
1988 1989 1990 1991	3,456 3,663 3,883 4,116	828 877 930 986	879) 932 987 1,046	5 5 6 7	178 189 200 212	1,535 1,627 1,725 1,828	31 33 35 37	

- 3. Consignments of the above mentioned sets must be accompanied by export licenses covering the individual components to be shipped under these additional quantities. For administrative control purposes these licenses shall bear in Box 9 the following wording in capital letters: "COMPONENT OF COORDINATE SUIT 1987 DEFINITION".
- 4. The interim additional quantities for categories 4 and 5, for the year 1988, set out in the Agreed Minute of 25 March 1988 are incorporated in the additional quantitative limits for the same year set out above.

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- 5. There will be no transfer between the additional quantities and the original quota for categories 4 and 5 although inter-category transfers between the additional quantities of the two categories may be carried out. In addition the flexibility provisions foreseen in Article 7 of the Agreement are to be applied as if these quantities belonged to a category of Group III.
- 6. The quantitatve limits set out in Annex II of the Agreement are adjusted as follows:

1000	o.	1988	1 989	1 990	1000
EEC .	limits				
Cat.	6	3,424	3,608	3,802	4,006
Cat.	7	3,080	3,238	3,403	3,578
Cat.	8	2,342	2,426	2,512	2,601
Cat.	21	5,229	5,543	5,875	6,228
Regi	onal limits				
UK	Cat. 16	135	143	153	162
	Cat. 29	164	174	184	1 95
	Cat. 74	12	16	21	25
F	Cat. 75	177	187	197	209

7. The Community quantitative limits set out in paragraph 6 are allocated among the regions of the Community as follows:

1000p.	D	F	I	BNL	UK	IRL	DK	GR	ES	PŢ
Cat. 6				•						
1988	1,446	367	263	618	342	21	237	21	23	20
1989	1,510	400	291	646	361	23	240	23	92	22
1990	1,581	435	320	673	379	25	243	25	97	24
1991	1,648	477	351	703	396	27	247	27	104	25
Cat. 7	_									
1988	1,198	447	448	344	342	18	190	19	65	9
1989	1,231	487	484	357	361	20	194	21	72	11
1990	1,263	530	522	370	379	22	199	23	82	13
1991	1,294	578	555	386	400	24	203	25	97	16

1000p.	D	F	Į	BNL	UK	IRL	DK	GR	ES	Σī
Cat. 8										
1988	526	204	423	313	216	16	526	17	83	18
1989	543	223	440	322	228	17	527	18	39	19
1990	564	241	459	330	239	18	528	20	92	21
1991	577	264	478	338	251	19	530	21	101	22
Cat. 2	1									
			500				- 21	2.0	2.63	2.0
1988	1,785	893	508	687	914	40	171	38	161	32
1989	1,890	920	556	720	968	43	175	44	190	37
1990	2,003	948	603	759	1,025	45	180	51	215	43
1991	2,121	981	651	798	1,086	48	186	59	249	49

- 8. The adjusted quantitative limits set out in paragraphs 6 and 7 incorporate the interim additional quantities for categories 6, 7, 8 and 21 for the year 1988, set out in the Agreed Minute of 25 March 1988.
- 9. The provisions of the Agreed Minute shall enter into force on the first day of the month following the date of its signature. They shall apply with effect from 1 January 1988.

Head of Delegation of the European Economic Community

Head of Delegation of the Kingdom of Thailand

Bangkok, 31 April 1988

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ADDENDUM

Further to the provisions included in the Agreed Minute between the EEC and the Kingdom of Thailand initialled on 21 April 1988, it has been agreed by both parties that transfers may be carried out, upon notification by the authorities of Thailand, from the reserved additional quantities agreed for categories 4 and 5 for France and the United Kingdom to the adjusted regional quotas for categories 75 and 74 respectively, up to the full amount of the original regional quotas for the latter categories.

For the European Economic Community

For the Kingdom of Thailand

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- 1. Delegations of the EEC and the Kingdom of Thailand met in Brussels on 12 December 1988 in accordance with the provisions of Article 16 of the Agreement on trade in textiles initialled on 28 June 1986, in order to examine the latter's request for an adjustment of the quantitative restrictions on products following the implementation of the Harmonized System.
- 2. The two parties agreed that additional quantities would be reserved, under category 7, for the export of products classified before under category 78. For 1988, these quantities are the following:

Category 7

1000 pieces

EEC	<u>D</u>	<u>F</u>	I	BNL	UK	ES
1,130	106	25	848	84	66	1

3. The quantitative limits set out in Annexe II of the Agreement as amended by Agreed Minute of 21 April 1988 are adjusted as follows:

Category 7

EEC limits	1988	1989	1990	1991		
1000 pieces	4,210	4,420	4,641	4,873		

4. The Community quantitative limits set out in paragraph 2 are allocated among the regions of the Community as follows:

Category 7

1000 pieces	D	<u>F</u> `	I	BNL	UK	IRL	DK	GR	ES	PT
1988	1,304	472	1,296	428	40 8	18	190	19	66	9
1989	1,339	535	1,345	443	434	20	196	23	74	11
1990	1,377	592	1,399	460	462	23	202	26	86	14
1991	1,415	652	1,458	476	490	25	208	29	102	18

5. The Community agreed that the additional quantities referred to in paragraph 2 might be the subject of an exceptional carry-over from 1988 to 1989 to the extent necessary.

6. The provisions of the Agreed Minute shall enter into force on the first day of the month following the date of its signature. They shall apply with effect from 1 January 1988.

Head of the Delegation

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European Communities

Head of the Delegation of the Kingdom of Thailand

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