

**GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE**

**ACCORD GENERAL SUR  
LES TARIFS DOUANIERS  
ET LE COMMERCE**

CONFIDENTIAL

TEX.SB/589

21 November 1980

---

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notification

Bilateral Agreement Between Sweden and Pakistan

Note by the Chairman

Attached hereto is a notification from the Swedish Mission regarding a new agreement<sup>1/</sup> concluded between Sweden and Pakistan for the period 1 March 1979 to 29 February 1980. Also attached is the short reasoned statement.

---

<sup>1/</sup> For previous agreement see COM.TEX/SB/432, for observations of the TSB see COM.TEX/SB/442, paragraphs 3 and 4.

---

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral entre la Suède et le Pakistan

Note du Président

On trouvera ci-joint une notification de la Mission de la Suède relative à un nouvel accord<sup>1/</sup> conclu entre la Suède et le Pakistan pour la période du 1er mars 1979 au 29 février 1980. On trouvera également ci-joint un bref exposé des motifs de cet accord.

---

<sup>1/</sup> Pour l'accord précédent, voir le document COM.TEX/SB/432; pour les observations de l'OST, voir le document COM.TEX/SB/442, paragraphes 3 et 4.

Geneva, November 12, 1980

361

For	Action	Comments
OFFICE OF DG		
Cabinet of DG.		
Ext. Rel/Info. Div.		
Inter-Agency Aff.		
Training Prog.		
OPER. DEPT. A		
Development Div.		
Non-Tar. M. Div.		
Tech. Coop. Div.		
Special Projects		
OPER. DEPT. B		
Agriculture Div.		
R/Statistics Div.		
Tariff Div.		
Tech. Bar. T. Div.		
CHAIRMAN TSB		
DEPT. CONC. AFFAIRS		
DEPT. CONC. AFFAIRS		

Ambassador P. Würth  
Chairman  
Textiles Surveillance Body  
GATT  
Centre William Rappard  
154, rue de Lausanne

1211 GENEVE 21



Dear Mr. Würth,

./.

Please find enclosed a notification to the Textiles Surveillance Body of a new agreement concerning trade in textiles between Pakistan and Sweden. The agreement covers the period 1 March 1980 to 28 February 1982.

This agreement has been reached for the purpose of eliminating real risks of market disruption in Sweden, while ensuring an orderly development of textile exports from Pakistan to Sweden and is being notified with reference to Article 4 of the Arrangement Regarding International Trade in Textiles, as well as the Protocol of Extension and the understandings set forth therein (L/4616), acceded to by Sweden through letter of 28 April 1978.

The more comprehensive approach in this, as well as in other Swedish Textile agreements, has been made necessary by the deteriorating situation in whole segments of the Swedish textile industry and by the real risks of market disruption which, according to past experience, an agreement covering only certain sensitive products would present in a country like Sweden.

This agreement is based on a categorization into the following groups, comprising the most sensitive textile products within CCCN (BTN) chapters 60-62:

- I Stockings, understockings, socks, ankle socks, Sockettes and the like, knitted or crocheted, other than ladies' stockings of continuous synthetic fibres
- II Shirts
- III Night garments

at

- IV Underwear, knitted or crocheted, other than shirts, night garments and tights
- V Sweaters, pullovers, slipovers, jumpers and cardigans etc, knitted or crocheted
- VI Overcoats and jackets
- VII Suits, lounge coats and blazers
- VIII Trousers other than shorts
- IX Costumes, dresses and skirts
- X Blouses
- XI Clothing included in Commodity List No. 28, other than elsewhere specified

(Note; Commodity List 28 refers to textile products under the import licence surveillance system in Sweden. It is annexed to this letter.)

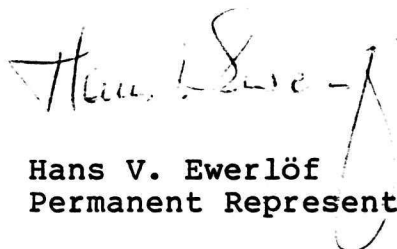
- XII Travelling rugs and blankets
- XIII Bed linen
- XIV Towels and similar articles
- XVIII Table linen
- XIX Curtains and other furnishing articles

In this agreement with Pakistan separate restraint levels have been established for the above groups IV, V, X, XIII and XIV, whereas the remaining items have been merged into a common rest group, which should make a fair amount of flexibility possible. It can also be noted that most of the specific groups have a wide product coverage, which should work in the same direction. The absence of swing between the restraint groups is a reflection of a mutual recognition of the minimum viable production principle. No textiles under CCCN chapters 50-59 are subject to restraint in the present agreement.

The difficult situation of the Swedish textile industry has become further aggravated during the last years. Imports of garments have increased substantially. A further decrease of domestic production has taken place. As in previous years, a number of factories have had to close down. It should be recalled that Sweden is the country which has the highest import penetration in the world when it comes to textiles and the highest per capita import of clothing from developing countries.

or Sweden, which is a small market, with an exceptionally high level of imports and a low domestic production, the maintenance of a minimum viable production of textiles is of vital importance.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Hans V. Ewerlöf'. The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

Hans V. Ewerlöf  
Permanent Representative

1 encl.

SWEDISH BOARD OF COMMERCE  
1979-09-12

Annex I  
(This is not  
a part of  
the agreement)

Garments and made up textile articles included in Commodity list No 28

SWEDISH CCC No	Description
60.03.003-109, 902-909	Stockings, under stockings, socks, ankle-socks, sockettes and the like <u>other than</u> ladies' stockings of continuous synthetic fibres, knitted or crocheted not elastic nor rubberised
60.04.all	Under garments, knitted or crocheted, not elastic nor rubberised
60.05.all	Outer garments and other articles, knitted or crocheted, not elastic nor rubberised
61.01.all	Men's and boys' outer garments
61.02.all	Women's, girls' and infants' outer garments
61.03.all	Men's and boys' under garments
61.04.all	Women's, girls' and infants' under garments
61.09.102-209	Corsets, corset-belts, suspenders, garters and brassières (including such articles of knitted or crocheted fabric)
62.01.all	Travelling rugs and blankets
62.02.all	Bed linen, table linen, toilet linen and kitchen linen; curtains and other furnishing articles
62.04.210-290	Sails

AGREEMENT BETWEEN PAKISTAN AND SWEDEN REGARDING  
EXPORTS OF TEXTILE PRODUCTS FROM PAKISTAN TO SWEDEN

Article 1

The following Agreement has been reached on the basis of the Arrangement Regarding International Trade in Textiles, particularly articles 1:2, 4 and 6:4, and the provisions of GATT document COM.TEX/W/47.

Article 2

This Agreement shall apply for the periods specified in Annex I.

Article 3

The Government of Pakistan will limit exports to Sweden of the textile products listed in Annex I to this Agreement to the levels set out in that Annex. The date of issue of shipping documents shall be considered to be the date of exportation.

Article 4

- (a) This Agreement shall apply to exports from Pakistan to Sweden of the textile products described in Annex I hereof, of cotton, wool or man-made fibres, or blend 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).

- (b) Notwithstanding the provisions of this Article this Agreement shall also apply to the products described in Annex I hereof, which are manufactured from impregnated fabrics as defined in Annex II of this Agreement.

Article 5

The Government of Sweden will admit imports of the textile products of Pakistani origin, listed in Annex I, provided that such imports are covered by an Export Certificate, as per specimen in Annex III. Such a document shall be issued by the Export Promotion Bureau, Government of Pakistan, be consecutively numbered and shall bear an endorsement that the consignments concerned have been approved and debited to the agreed levels for export to Sweden for the relevant period.

Article 6

- (a) If in the period March 1, 1979 to February 29, 1980, the group levels specified in column (d) of Annex I to the agreement between Pakistan and Sweden, signed on February 27, 1979, are not fully utilized, the Government of Pakistan may, after consultation with the Government of Sweden, during the period March 1, 1980 - February 28, 1981, approve the export of additional amounts (carryover) equivalent to such shortfalls provided that such exports -
- (1) are in the same groups where the shortfalls occurred;

- (ii) do not exceed 9% of the levels of these groups specified in column (d) of Annex I to the agreement between Pakistan and Sweden of February 27, 1979.
- (b) If in the period March 1, 1980 - February 28, 1981, the group levels specified in column (d) of Annex I to this Agreement, are not fully utilized, the Government of Pakistan may, after consultation with the Government of Sweden, during the period March 1, 1981 - February 28, 1982, approve the export of additional amounts (carryover) equivalent to such shortfalls provided that such exports -
  - (i) are in the same groups where the shortfalls occurred;
  - (ii) do not exceed 7% of the levels of these groups specified in column (d) of Annex I to this Agreement.
- (c) During the period March 1, 1980 - February 28, 1981, the Government of Pakistan may, after consultation with the Government of Sweden, approve the export of amounts in excess of the group levels specified in column (d) of Annex I to this Agreement up to 1% of those levels (carry forward). Where specific group levels are increased by carry forward the Government of Pakistan shall inform the Government of Sweden of the carry forward quantities and debit these to the corresponding group levels for the period March 1, 1981 - February 28, 1982, set out in column (e) of Annex I to this Agreement.
- (d) During the period March 1, 1981 - February 28, 1982, the Government of Pakistan may, after consultation with the Government of Sweden, approve the export



of amounts in excess of the group levels specified in column (e) of Annex I to this Agreement up to 2% of those levels (carry forward). Where specific group levels are increased by carry forward the Government of Pakistan shall inform the Government of Sweden of the carry forward quantities and debit these to any corresponding group level that may be agreed upon.

- (e) Carryover and carry forward quantities of group IV and V are to be distributed on the basis of 20% to group IV and 80% to group V.

#### Article 7

If the information available to the Swedish authorities shows that the quantitative limit for the category of products specified in an Export Certificate has already been reached or the unused portion of that limit is insufficient to cover the goods specified in the certificate, the said authorities may refuse to admit any quantity in excess of the quantitative limit. In this event the Government of Sweden shall inform the Government of Pakistan as soon as possible.

#### Article 8

Both parties regard it as essential that exports to Sweden of goods listed in Annex I are evenly spaced throughout the period of agreement and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Government of Pakistan undertakes to provide a procedure to achieve this.

Article 9

The Government of Pakistan will forward to the Government of Sweden, via the Embassy of Sweden in Islamabad, monthly statistics on a cumulative basis of the quantities of the groups IV, V, X, XIII, XIV and of the value of the "rest group", listed in Annex I, for which duly endorsed export certificates for exports to Sweden have been issued.

The Swedish Government will forward to the Government of Pakistan monthly statistics on a cumulative basis of imports from Pakistan of the above mentioned groups listed in Annex I. The statistics shall be forwarded to the Government of Pakistan, via the Embassy of Sweden in Islamabad, as soon as possible.

Article 10

The Government of Pakistan and the Government of Sweden agree to consult each other, at the request of either, when any problem arises from the implementation of this Agreement. The Government of Pakistan and the Government of Sweden furthermore agree to enter into consultations on the extension, modification or elimination of the limitations before the end of the period of agreement.

Article 11

This Agreement is concluded for a period of two years. Either Government may however terminate the Agreement with effect from March 1, 1981. Such termination shall be notified not later than three months before the expiry of the first agreement year.

Article 12

The Annexes to this Agreement shall be considered as integral parts of the Agreement.

Article 13

This Agreement shall be drawn up in two copies in the English language, each of these texts being equally authentic.

Done in Islamabad on 11th day of March 1980

  
For the Government of  
Pakistan

  
For the Government of  
Sweden



## ANNEX I

Exports of certain textiles from Pakistan to Sweden

(a) Group No	(b) Ex Swedish Tariff Classification No	(c) Description	(d) Level for period 1.3.80-28.2.81	(e) Level for period 1.3.81-28.2.82
IV	60.04.70- 80- 90-	Underwear, knitted or crocheted, <u>other than</u> shirts, nightwear and tights (including underwear T-shirts)	Aggregate levels for groups IV and V: 1 170 000 pos      1 171 000 pos -sublevels for group IV: 243 360 pos      243 568 pos -sublevels for group V : 973 440 pos      974 272 pos	
V	60.05.30-	Sweaters, pullovers, slipovers, jumpers and cardigans etc., knitted or crocheted (including outerwear T-shirts)		
X	60.05.803-4,809,82- 61.02.006,50-,99-	Blouses	233 000 pos	233 250 pos
XIII	62.02.11-,19-,792-3	Bedlinen	545 500 kgs	546 000 kgs
XIV	62.02.31-,39-,792-3	Towels and similar articles	250 250 kgs	250 500 kgs

Restgroup

I-III, VI-IX, XI,XII, XVIII, XIX	60.03.00-,10-,90-	Stockings, under- stockings, socks, ankle socks, sockettes and the like, knitted or crocheted, <u>other than</u> ladies' stockings, of continuous synthetic fibres		
	60.04.10-,21-,25-,60-	Shirts, nightwear, panty hose and tights, knitted or crocheted		
	60.05.10-,20-,60-, 80-,81-,83-,87-,89-	Outer garments, knit- ted or crocheted, <u>other than</u> sweaters, pullovers etc. (group V) and blouses (ex group X)	Swedish Crowns F.O.B. value 3 950 000      4 290 000	
	61.01.00-,10-,30-, 41-,45-,50-,70-,90-	Men's and boys' woven outer garments		
	61.02.00-,11-,15-, 20-,30-,40-,60-, 80-,90-,99-	Women's, girls' and in- fants' woven outer gar- ments <u>other than</u> blouses (ex group X)		
	61.03.10-,20-	Men's and boys' shirts and nightwear, not knit- ted or crocheted		
	61.04.10-	Women's, girls' and in- fants' nightwear, not knitted or crocheted		
	62.01.all 60.05.90-	Travelling rugs and blankets Table linen		
	62.02.21-,29-,792-3 60.05.90-,91- 62.02.51-,59-,71,79-	Curtains, bed spreads and other furnishing articles (e.g. cushion covers, loose covers for furniture, table covers, motor car seat covers)		

ANNEX II

Definition of "Impregnated Fabrics"  
for the purposes of Article 4

1. Fabrics of cotton, wool or man-made fibres or any blend containing one or more of those fibres in which either wool represents 17 per cent or more by weight or any or all of those fibres in combination represent 50 per cent or more by weight of the unfinished fabric shall be defined as "impregnated fabrics" where those fabrics have been impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials whatever the nature of the plastic material (compact, foam, sponge or expanded).
2. The definition does not cover-
  - (a) Fabrics which, after impregnation, coating, covering or lamination, cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm at a temperature between 15° C and 30° C.
  - (b) Fabrics either completely embedded in artificial plastic material or coated or covered on both sides with such material.

GOVERNMENT OF PAKISTAN  
EXPORT PROMOTION BUREAUEXPORT CERTIFICATE FOR TEXTILES

1. Country of origin \_\_\_\_\_
2. Export Certificate Sweden A (First Agreement Year)\*  
Sweden B (Second Agreement Year)
3. Exporter's name and address \_\_\_\_\_

We certify that the above exporter is authorised to export the following goods which have been debited against Pakistan country quota of Sweden -

1. Destination : \_\_\_\_\_
2. Order/L/C No: \_\_\_\_\_
3. Description of goods : \_\_\_\_\_
4. Group No : \_\_\_\_\_
5. Net weight : \_\_\_\_\_  
Quantity(Pieces/kilograms or metric tons)
6. Value (FOB): \_\_\_\_\_
7. Name of ship or flight No : \_\_\_\_\_
8. Date of shipment : \_\_\_\_\_
9. Importer's name and address : \_\_\_\_\_

Export Promotion Bureau  
Government of Pakistan

Copy forwarded to:

The Collector of Customs,  
Customs House,  
KARACHI.

\* Numbers to be used by Export Promotion Bureau offices

Karachi : 1 - 10,000  
Lahore : 11,000 - 12,000  
Faisalabad: 13,000 - 14,000  
Rawalpindi: 15,000 - 16,000  
Multan : 17,000 - 18,000  
Sialkot : 19,000 - 20,000  
Peshawar : 21,000 - 22,000  
Hyderabad: 23,000 - 24,000  
Quetta : 25,000 - 26,000