

# GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TEX.SB/741  
11 June 1982

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• Textiles Surveillance Body

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Finland and Macao

Note by the Chairman

● Attached is a notification received from Finland concerning a new bilateral agreement with Macao, concluded under Article 4 of the MFA, valid for the period 1 July 1982 to 31 December 1986.<sup>1</sup>

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<sup>1</sup> The previous agreement with Macao and subsequent amendments are contained in COM.TEX/SB/370 and 615.

\* English only/Anglais seulement.

TS/140-4  
PERMANENT MISSION OF FINLAND  
IN GENEVA

2803

|                        |             |       |
|------------------------|-------------|-------|
| ANSWERED               | DOC. ISSUED | FILED |
|                        | TEX 88/74   |       |
| Sir<br>REG 10 JUN 1982 |             |       |

| For                 | Action                              | Comment | Inf.                                |
|---------------------|-------------------------------------|---------|-------------------------------------|
| Cabinet of DG       |                                     |         | <input checked="" type="checkbox"/> |
| Off. Legal Aff.     |                                     |         |                                     |
| Ext. Rel/Info. Div. |                                     |         |                                     |
| CHAIRMAN TSB        | <input checked="" type="checkbox"/> |         |                                     |
| OPER. DEPT. A.      |                                     |         | <input checked="" type="checkbox"/> |
| Non-Tar. M. Div.    |                                     |         |                                     |
| Development Div.    |                                     |         |                                     |
| Tech. Coop. Div.    |                                     |         |                                     |
| Inter-Agency Aff.   |                                     |         |                                     |
| Special Projects    |                                     |         |                                     |
| OPER. DEPT. B.      |                                     |         |                                     |
| Econ. R/Anal. Unit  |                                     |         |                                     |
| Agriculture Div.    |                                     |         |                                     |
| Tech. Div.          |                                     |         |                                     |

Geneva 9 June 1982

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I have the honour to notify to the Textiles Surveillance Body a new bilateral agreement concluded between Finland and Macao on April 23, 1982, and covering the period May 1, 1982 to December 31, 1986. The Agreement has been concluded under the terms of Article 4 of the MFA and is being notified under paragraph 4 of the said Article.

The agreement covers five product categories, where real risk of market disruption has been found to exist in the Finnish market and where imports from Macao have been substantial. The base levels for the restraints have been calculated on the basis of previous restraints plus one percent for three categories (II, III and IV) and on the basis of roll-back figures for two categories (I and V). As far as the latter two categories are concerned, the respective roll-back levels were as follows: category I 157 000 and category V 63 000 pieces.

The agreement follows the normal pattern of Finnish textiles agreements regarding all the provisions therein. Growth rates vary between 1 and 2.5 %, due to the need to protect the minimum viable production of the products concerned. Carry-over/carry forward have been provided at the level of 10/5 %. There is also a provision for swing at the level of 5 % between categories I, II and V as well as between categories III and IV. There is also an agreed list of products subject to an administrative control.

Please accept, Sir, the renewed assurances of my highest consideration.

H.E. Mr. Paul Wurth  
Chairman  
Textiles Surveillance Body  
G A T T

*Matti Pullinen*  
Matti Pullinen  
First Secretary

## MEMORANDUM OF UNDERSTANDING

During the consultations held in Macau on 23rd April 1982 between a delegation from Finland and a delegation from Macau and having regard to the Arrangement Regarding International Trade in Textiles, in particular Article 4, and to the Protocol extending the said Arrangement dated 22nd December 1981, agreement was reached as follows:

1. The following arrangements shall apply for the period of 1st July 1982 to 31st December 1986.
2. Macau agrees to voluntarily restrain the exports to Finland of the textile products specified in Annex I to the limits set out in that Annex.
3. Finland will for the purpose of the present arrangements admit imports of the textile products of Macau origin set out in Annex I to the agreed limits, provided that such imports into Finland are covered by an export authorization and a certificate of origin, as per specimen at Annex III. The export authorization shall bear an endorsement by competent officials to the effect that the consignment concerned has been debited to the agreed levels for exports to Finland for the relevant period. The date of shipment indicated on the export licence shall be considered to be the date of exportation.
4. If the information available to the Finnish authorities through the import surveillance system shows that the quantitative limits for the products specified in Annex I have already been reached or that the unused balances of those limits are insufficient to cover the goods specified in the export authorization(s), the Finnish authorities may, subject to the provisions of Articles 5 and 6, refuse to admit imports of such products for any quantity in excess of the quantitative limits set out in Annex I. In such a case the Finnish authorities shall immediately inform the Macau authorities.

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*[Handwritten signature]*

5. Exports may exceed the limits in between categories I, II and V in Annex I by five (5) per cent and between categories III and IV by five (5) per cent, provided that a corresponding reduction is applied to the other limits. For the purpose of calculating such a reduction the conversion factors listed in Annex I shall apply.
6. Carry-over and carry forward taken together shall not exceed ten (10) per cent, of which carry forward shall not represent more than five (5) per cent.
7. Macau shall endeavour to ensure that exports of the textile products subject to quantitative limits are spaced out as evenly as possible over the year, due account being taken, in particular of seasonal factors.
8. Imports of textile products specified in Annex II from Macau to Finland shall be subject to administrative control.

In respect of these products Finland will automatically issue import licenses upon the presentation of export licenses issued by the competent Macau authorities.

Finland may request consultations with Macau with a view to reaching a mutually acceptable solution for the imports of these products when limitations on trade in such products may be necessary to eliminate real risks of market disruption.

The Parties shall enter into consultations as soon as possible with a view to reaching agreement within two months at the latest.

Pending a mutually acceptable solution Finland shall have the right to introduce a quantitative limit at an annual level not lower than that reached by imports of the product in question in the twelve-month period terminating two months preceding the month in which the request for consultations was made.

9. Finland and Macau agree to consult together, at the request of either party on any matter arising from the implementation of these arrangements.
10. Macau will forward to Finland monthly statistics on a cumulative basis on the textile products for which authorizations for export to Finland have been issued. Finland will forward to Macau monthly statistics on a cumulative basis on imports from Macau of the said products.
11. Either Party may at any time terminate these arrangements provided that at least sixty days' notice is given, in which event the arrangements shall come to an end at the expiry of the sixty day period.
12. The Annexes to this Memorandum of Understanding shall form an integral part thereof.

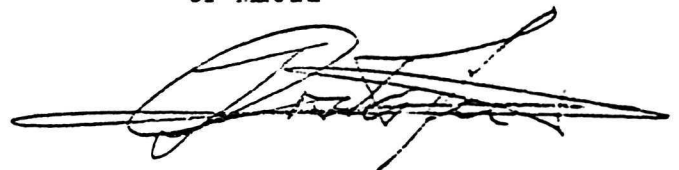
Done in Macau on the 23rd day of April in the year 1982.

For the Government  
of Finland



Risto Rännäli

For the Government  
of Macau



João António Moraes Costa Pinto

## ANNEX I

| AT     | (a)<br><u>Finnish tariff<br/>classification No</u> | (b)<br><u>Description</u>  | (c)<br><u>Unit of<br/>quantity</u> | (d)<br>1.5.82-31.12.82    1.7.82-31.12.82    1.1.83-31.12.86<br>(Annual growth rate) |                           |      | (e)<br><u>Conversion<br/>Factor (square<br/>yards equiva-<br/>lent per dozen)</u> |
|--------|--|--|------------------------------------|--|---------------------------|------|---|
|        |  |  |                                    |  |                           |      |   |
| AT-I   | 60.04.722<br>723<br>725<br>729                     | Men's and boys' knit-<br>ted briefs, drawers,<br>undershorts and the<br>like, made of cotton<br>or man-made fibres.              | Pieces                             | 104.667<br>(notional annu-<br>al level<br>157.000)                                   |                           | 2,0% | 9 sq.yd/doz.  |
| AT-II  | 60.04.822<br>823<br>825<br>829                     | Women's and girls'<br>knitted briefs, dra-<br>wers panties, under-<br>shots and the like<br>made of cotton or<br>man-made fibres | Pieces                             |  | (Annual Level<br>200.836) | 1,0% | 9 sq.yd/doz.  |
| AT-III | 61.02.502<br>505<br>506<br>509                     | Women's and girls'<br>blouses of cotton<br>and man-made fibres   | Pieces                             |  | (Annual Level<br>290.516) | 1,0% | 20 sq.yd/doz.   |
| AT-IV  | 61.03.102<br>103<br>105<br>106<br>109              | Men's and boys'<br>shirts of cotton<br>and man-made fibres   | Pieces                             |  | (Annual Level<br>26.788)  | 1,0% | 25 sq.yd/doz.   |
| AT-V   | 61.09.201  | Brassieres, ready made   | Pieces                             | 50.000<br>(notional annu-<br>al level<br>75.000)                                     |                           | 2,5% | 4,8 sq.yd/doz.  |

Products subject to administrative control according to paragraph 8 of the agreement.

Finnish Tariff  
Classification  
Number

Product  
Description

|           |                                |
|-----------|--------------------------------|
| 60.04.124 | Jumpers, sweaters,             |
| 135       | cardigans, pullovers           |
| 155       | blouses and shirts,            |
| 60.05.315 | (including T-shirts,           |
| 355       | singlets and under-shirts),    |
| 365       | knitted or crocheted, wholly   |
|           | or mainly by weight of cotton, |
|           | men's and boys', women's and   |
|           | girls' and infants' wear.      |
| 60.04.121 |                                |
| 128       |                                |
| 132       | Jumpers, sweaters, cardigans,  |
| 133       | pullovers, blouses and shirts, |
| 136       | (including T-shirts, singlets  |
| 137       | and under-shirts), knitted or  |
| 152       | crocheted, wholly or mainly by |
| 153       | of man-made fibres, men's and  |
| 156       |                                |
| 157       |                                |
| 60.05.312 |                                |
| 313       |                                |
| 316       |                                |
| 317       |                                |

Finnish Tariff  
Classification  
Number

Product  
Description

|           |                              |
|-----------|------------------------------|
| 352       | boy's, women's and           |
| 353       | girls' and infants'          |
| 356       | wear.                        |
| 357       |                              |
| 362       |                              |
| 363       |                              |
| 366       |                              |
| 367       |                              |
| 61.01.405 | Men's and boys' jackets,     |
| 406       | blazers and the like of      |
|           | cotton and of disconti-      |
|           | nuous man-made fibres.       |
| 61.01.505 | Men's and boy's trousers     |
| 506       | of cotton and discontinuous  |
|           | man-made fibres.             |
| 61.02.605 | Women's, girls' and infants' |
| 606       | trousers of cotton and of    |
|           | discontinuous man-made fi-   |
|           | bres.                        |