

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

CONFIDENTIAL  
TEX.SB/934\*  
9 March 1984

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Agreement between Austria and Singapore

Note by the Chairman

Attached is a notification received from Austria concerning a new bilateral agreement concluded under Article 4 of the MFA with Singapore.<sup>1</sup> The agreement is valid from 1 January 1984 to 31 December 1986.

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<sup>1</sup> The previous export surveillance agreement with Singapore is contained in COM.TEX/SB/770

\* English only/Anglais seulement/Inglés solamente.

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PERMANENT REPRESENTATION  
OF AUSTRIA TO THE GATT

No. 182-G/84

1211 GENEVA 20, 29 February 1984  
11, rue de Varembe

For	Action	Comment	Int.
OPER. DEPT. A			X
Non Tar. M. Div.			
Development Div.			
Tech. Coop. Div.			
Trade Pol. Div.			
Spec. Proj. Div.			
OPER. DEPT. B			X
Econ. R/Anal. Unit			
Agriculture Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
DEPT. C			
Adm. / Fin. Div.			
Trans. / Doc. Div.			
Training Div.			
Personnel Off.			
Conference Off.			

ANSWERED  
EX-58/984  
- 2 MAR 1984  
Chairman TSD

Sir,

With reference to Article 4 of the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT), as extended, I have the honour to transmit the following notification concerning the bilateral agreement between Austria and Singapore concluded on 14 November 1983 which entered into force on 1 January 1984 and which had been transmitted to you by my letter ref. No. 103-G/84 of 6 February 1984.

In the recent past the economic conditions of the Austrian textiles industry have continued to deteriorate. There was a further downwards trend in orders and production was declining. In 1982 overall production in the textile sector declined by 4.8 per cent in comparison to 1981. In the first half of 1983 production declined by 8.5 per cent. The number of jobs in 1982 declined by 6.8 per cent and in the first

half of 1983 by 7.4 per cent in comparison to the previous period.

At the same time the textiles industry is confronted with steadily rising import penetration (1982 imports reached already a share of more than 82 per cent of the Austrian production) and with increasing expenditure (e.g. 6.0 per cent increase in labour cost). Due to the situation prevailing in the market it was not possible to reflect fully increases in production costs by price measures. As a consequence profits were substantially curtailed.

The Austrian garment industry especially manufacturing of blouses, is confronted with particular problems.

Factories are situated mostly in depressed regions having virutally no other industries and where they are the main source of industrial employment. Such textiles, as well as other textiles are extremely sensitive to disruptive market forces. Experience has shown that imports of low price blouses exert an enormous downward pull on prices forcing domestic producers to operate at the break even point or even at a loss. In the first half of 1983 in the garment industry 1040 jobs (i.e. 3.45 per cent) were lost.

Austria requested Singapore on 30 September 1980 to hold consultations under the Arrangement with a view to reach agreement on mutually acceptable terms on the future conduct of exports of woven blouses of man-made fibres or of cotton, CCCN No. ex 61.02, from Singapore to Austria. Imports of such blouses from Singapore decreased after this request had been tabled. Consequently, in the

following discussions Austria had agreed to submit these products under an export surveillance system only which had been effected by exchange of notes between Singapore and Austria dated 8 and 22 December 1981.

In the meantime imports of such blouses from Singapore have developed as follows:

1980:	211.679 pieces
1981:	237.165 pieces
1982:	263.267 pieces

This means that imports from Singapore to Austria rose from 1980 to 1982 by about 25 per cent. During the same period the Austrian production of blouses declined by about 16 per cent. The ratio of imports of blouses from Singapore to domestic production increased from 6.7 per cent in 1980 to nearly 10 per cent in 1982.

Production of woven blouses of cotton or of synthetic fibres decreased by 14.42 per cent in 1982 and by 8.34 per cent in the first half of 1983 as compared with the previous year, whereas imports from Singapore continued to increase by 11 per cent from 1981 to 1982. In 1982 the ratio of imports from Singapore to domestic production was 9.28 per cent. In the same period the ratio of imports from Singapore to total imports into Austria was 4.63 per cent. The average price of woven blouses of cotton imported from Singapore was 125.20 AS, of synthetic fibres 100.18 AS, whereas the average price for blouses of cotton or/and of man-made fibres made in Austria was 1982 223.54 AS.

In view of the critical situation to which the domestic production of blouses is exposed due to heavy import

penetration in the Austrian market and seen the development of exports of blouses from Singapore, Austria requested to hold consultations under the terms of the Arrangement in order to agree on a quota for such exports to Austria (rollback period level, i.e. imports from 1 April 1982 to March 1983, 238.704 pieces).

As result of the consultations held between both countries the following export levels in pieces for the twelve-months period, beginning 1 January 1984, have been agreed upon:

1984: 299.000  
1985: 301.990  
1986: 305.010.

In view of the existing exceptional circumstances in terms of Annex B of the Arrangement in this highly sensitive product a lower than 6 per cent growth has been agreed upon between both parties. In determining growth and flexibility special considerations had been taken into account such as an increase of more than 25 per cent of the rollback period level for the first agreement year.

I should be grateful if you would make this information available to the Textile Surveillance Body.

My authorities regret that for technical reasons they have not been able to transmit the notification in time.

Accept, Sir, the assurances of my highest consideration.



Richard Hochörtler  
Deputy Permanent  
Representative

Mr. Marcelo Raffaelli  
Chairman  
Textiles Surveillance Body  
GATT

G e n e v a

15/160-4

**PERMANENT REPRESENTATION  
OF AUSTRIA TO THE GATT**

587

No. 103-G/84

1211 GENEVA 20, 6 February 1984  
9-11, rue de Varembe

Enclosure

Sir,

I have the honour to transmit to you in advance the text of an understanding reached following consultations held between Austria and Singapore on 10, 11 and 14 November 1983 concerning the exports to Austria of woven blouses of cotton and of man-made fibres from Singapore.

The formal notification I will transmit to you in the near future.

Accept, Sir, the assurances of my highest consideration.

*R. Hochörtler*

Richard Hochörtler  
Deputy Permanent  
Representative

Mr. Marcelo Raffaelli  
Chairman  
Textiles Surveillance Body  
GATT

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*To await formal  
notification.*

*see file 596.*

ANSWERED	DOC. ISSUED	FOLIO
REG - 7 FEB 1984		
For	Cabinet of DG	
	Info. Service	
	OFFICE L. GAL AFF.	
	Sess. / Council Aff. Div.	
	CHAIRMAN TSB	

For	Action	Comment	Ind.
OPER. DEPT. A			X
Non-Tar M Div.			
Development Div.			
Tech. Coop. Div.			
Trade Pol. Div.			
Spec. Proj. Div.			
OPER. DEPT. B			
Econ. R/Anal. Unit			
Agriculture Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
DEPT. CONF. AFF. DIV.			
Adm. / Fin. Div.			
Trans. / Doc. Div.			
Training Div.			
Personnel Off.			
Conference Off.			

*11.6.7*

14 Nov 83

Mr Lim Kim Kuay  
Director  
Trade Development Board  
- Singapore

Dear Mr Lim

I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES done at Geneva on 20 Dec 73, to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 22 Dec 81, and to the exchange of Singapore's note dated 8 Dec 81 and Austria's note dated 22 Dec 81.

I further wish to refer to the consultations which took place between representatives of Austria and Singapore on 10, 11 and 14 Nov 83 in Singapore. As a result of these consultations Austria and Singapore have reached the following understanding:

1 Singapore shall restrict exports to Austria of woven blouses of cotton and of man-made fibres, CCCN No. ex 61.02, to the levels set out below:

1984	:	299,000 pieces
1985	:	301,990 pieces
1986	:	305,010 pieces

2 Upon presentation of Certificates of Origin as per specimen in the Annex issued by the authority of Singapore within the agreed export limits for direct and/or indirect exports from Singapore to Austria and endorsed to the effect that the consignments concerned have been debited to the agreed export limits, the competent Austrian authority will issue the corresponding import licences promptly and in all cases not to exceed a period of three weeks.

3 For the purpose of applying for import licences to be issued upon presentation of Certificates of Origin as indicated in para 2 above, the validity of these Certificates of Origin shall expire six months after the end of the twelve-month period during which they are issued.

✓  
1- Textile bilat.

AK

4 For the product mentioned in paragraph 1, carry-over and carry-forward taken together shall not exceed 10%, of which carry-forward shall not represent more than 5%.

5 In order to avoid hardship to the trade in woven blouses, shipment made on and before 31 Dec 83 will be admitted by Austria, upon presentation of the relevant documentation, outside the agreed export limit without Certificates of Origin as defined in paragraph 2 above, provided that the application for import licence is effected by 28 Feb 84 at the latest.

6 Austria will provide Singapore with statistics on a monthly and cumulative basis, and Singapore will provide Austria with statistics on the same basis of Certificates of Origin issued in accordance with paragraph 2 above. If necessary, at the request of Austria, Singapore will provide more detailed information in respect of specific exports to Austria of woven blouses showing the name of the exporters, the number and dates of Certificates of Origin issued, the dates of shipments as well as the quantity of the product covered by these Certificates of Origin.

7 Consultations regarding the conduct of exports of woven blouses will be held if so desired by either party.

If this proposal is acceptable to Singapore, this note and your note of confirmation on behalf of Singapore shall constitute an agreement between Austria and Singapore.

Accept, Sir, the assurances of my highest consideration.

Yours sincerely



DR GERHARD WAAS  
DIRECTOR  
FEDERAL MINISTRY OF COMMERCE, TRADE AND INDUSTRY  
AUSTRIA



REPUBLIC OF SINGAPORE

CERTIFICATE OF ORIGIN/PROCESSING

No.

Consignee

Country of Origin of Goods

Country of Final Destination

Departure Date

Vessel's Name/Aircraft, etc.

Place of Discharge

(\*Include Brand names if necessary)

NO UNAUTHORISED  
ADDITION/  
ALTERATION MAY  
BE MADE TO THIS  
CERTIFICATE ONCE  
IT IS ISSUED

Marks & Numbers

No. & Kind of Packages  
Description of Goods\*

Quantity  
& Unit

SPECIMEN

I hereby certify that evidence has been produced to satisfy me that the goods specified above are the manufacture or produce of the country as shown above.

ORDINARY CERTIFICATE OF ORIGIN

Controller Of Import and Exports  
Trade Development Board  
Republic of Singapore

Officer In Charge

EXPORT CERTIFICATE

This consignment is authorised for export  
and has been debited against  
Singapore's restraint

level

for ..... pieces only.

Date .....



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## Trade Development Board

1 Maritime Square #03-01  
World Trade Centre  
Telok Blangah Road  
Singapore 0409  
Telephone 2719388  
Telex: TRADEV RS 28617/28170  
Cable: SINTRADEV

14 Nov 83

Dr Gerhard Waas  
Director  
Federal Ministry of Commerce, Trade and Industry  
Austria

Dear Dr Waas

I wish to refer to your letter dated 14 Nov 83 which reads as follows:

"I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES done at Geneva on 20 Dec 73, to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 22 Dec 81, and to the exchange of Singapore's note dated 8 Dec 81 and Austria's note dated 22 Dec 81.

I further wish to refer to the consultations which took place between representatives of Austria and Singapore on 10, 11 and 14 Nov 83 in Singapore. As a result of these consultations Austria and Singapore have reached the following understanding:

1 Singapore shall restrict exports to Austria of woven blouses of cotton and of man-made fibres, CCCN No. ex 61.02, to the levels set out below:

1984 : 299,000 pieces  
1985 : 301,990 pieces  
1986 : 305,010 pieces

2        Upon presentation of Certificates of Origin as per specimen in the Annex issued by the authority of Singapore within the agreed export limits for direct and/or indirect exports from Singapore to Austria and endorsed to the effect that the consignments concerned have been debited to the agreed export limits, the competent Austrian authority will issue the corresponding import licences promptly and in all cases not to exceed a period of three weeks.

3        For the purpose of applying for import licences to be issued upon presentation of Certificates of Origin as indicated in para 2 above, the validity of these Certificates of Origin shall expire six months after the end of the twelve-month period during which they are issued.

4        For the product mentioned in paragraph 1, carry-over and carry-forward taken together shall not exceed 10%, of which carry-forward shall not represent more than 5%.

5        In order to avoid hardship to the trade in woven blouses, shipment made on and before 31 Dec 83 will be admitted by Austria, upon presentation of the relevant documentation, outside the agreed export limit without Certificates of Origin as defined in paragraph 2 above, provided that the application for import licence is effected by 28 Feb 84 at the latest.

6        Austria will provide Singapore with statistics on a monthly and cumulative basis, and Singapore will provide Austria with statistics on the same basis of Certificates of Origin issued in accordance with paragraph 2 above. If necessary, at the request of Austria, Singapore will provide more detailed information in respect of specific exports to Austria of woven blouses showing the name of the exporters, the number and dates of Certificates of Origin issued, the dates of shipments as well as the quantity of the product covered by these Certificates of Origin.

7            Consultations regarding the conduct of exports of wovenblouses will be held if so desired by either party.

-            If this proposal is acceptable to Singapore, this note and your note of confirmation on behalf of Singapore shall constitute an agreement between Austria and Singapore."

I have the honour to confirm that your proposal is acceptable to Singapore. This letter together with your letter constitute an agreement between our two Governments.

Accept, Sir, the assurances of my highest consideration.

Yours sincerely



LIM KIM KUAY  
DIRECTOR  
TRADE DEVELOPMENT BOARD  
SINGAPORE

Porter

REPUBLIC OF SINGAPORE

CERTIFICATE OF ORIGIN/PROCESSING

No.

Consignee

Country of Origin of Goods

Country of Final Destination

Departure Date

Vessel's Name/Aircraft, etc.

Port of Discharge

(\*Include Brand names if necessary)

NO UNAUTHORISED  
ADDITION/  
ALTERATION MAY  
BE MADE TO THIS  
CERTIFICATE ONCE  
IT IS ISSUED

Marks & Numbers

No. & Kind of Packages  
Description of Goods\*

Quantity  
& Unit

SPECIMEN

I hereby certify that evidence has been produced to satisfy me that the goods specified above are the manufacture or produce of the country as shown above.

ORDINARY CERTIFICATE OF ORIGIN

Controller Of Import and Exports  
Trade Development Board  
Republic of Singapore

Officer in Charge

EXPORT CERTIFICATE

This consignment is authorised for export  
and has been debited against  
Singapore's restraint  
level

for ..... pieces only.

Date .....

