

GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONFIDENTIAL

TEX.SB/991*
4 July 1984

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Sweden and the Philippines

Note by the Chairman

Attached is a notification received from Sweden concerning a new bilateral agreement, concluded under Article 4 of the MFA, with the Philippines.¹ The agreement is valid with retrospective effect from 1 November 1982 to 31 October 1987. The agreement supersedes the provisional extensions of the previous agreement.

¹The previous agreement and provisional extensions are contained in COM.TEX/SB/683, 837 and 902

* English only/Anglais seulement/Inglés solamente

TS/140-4

- SWEDISH DELEGATION

Geneva, 25 June, 1984

627

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

Ambassador M. Raffaelli
Chairman
Textiles Surveillance Body
GATT
Centre William Rappard
154, rue de Lausanne
1211 GENEVA 21

ANSWERED	DOC. ISSUED	FOLIO
	TS/140-4	
REG 26 JUN 1984		
For	Action	Comment
Cabinet of DG		
Info. Service		
OFFICE LEGAL AFF.		
Sess. / Council Aff. Div.		
CHAIRMAN TSB	X	

Dear Mr. Ambassador,

Pursuant to Article 4:4 of the Arrangement as extended through the 1981 Protocol, I am notifying the Textiles Surveillance Body of the conclusion of a five year bilateral agreement between the Philippines and Sweden. The agreement covers the period November 1, 1982 to October 31, 1987.

This agreement has been reached for the purpose of avoiding risks of further market disruption in Sweden, while ensuring an orderly development of exports from the Philippines to Sweden. The product categories in this agreement are of a similar scope as in other agreements notified by Sweden under the Arrangement as extended by the 1981 Protocol. The restraint groups are the same as in the preceding agreement between the Philippines and Sweden.

As to the flexibility provisions in the agreement as well as the terms of growth, reference is made to Annex B of the Arrangement and paragraph 11 of the 1981 Protocol.

The situation for the Swedish textile industry is difficult. The level of production of made-up textile articles has been reduced to less than half during the period 1973-1982. The number of persons employed in this sector has been further reduced by ten per cent in the years 1980-1982.

Imports of made-up articles increased heavily during 1980 but declined in 1981 due to weak demand and has since remained at a level which is still very

.../...

high. Sweden has the highest import penetration of textiles in the world and the highest per capita import of clothing from developing countries.

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

Copies of the Agreement and related documents are attached.

[Handwritten signature]
[Handwritten signature]
Hans V. Ewerlöf
Ambassador
Permanent Representative

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE
PHILIPPINES AND THE GOVERNMENT OF SWEDEN
REGARDING EXPORTS OF CERTAIN TEXTILE
PRODUCTS FROM THE PHILIPPINES
TO SWEDEN

Any

SL

Article 1

The following Agreement has been reached having regard to the Arrangement Regarding International Trade in Textiles bearing in mind particularly the provisions of article 1:2 and article 4 thereof and the provisions of GATT document L/5276.

Article 2

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

Article 3

The Government of the Philippines 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 actual shipment from the Philippines as evidenced by the Bill of Lading shall be considered to be the date of exportation.





Article 4

- (a) This Agreement shall apply to exports from the Philippines 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 percent or more by weight (or 17 per cent or more by weight of wool).
- (b) 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 Philippine origin, listed in Annex I, provided that such imports are covered by a Special Export Licence, as per specimen in Annex III. Such a document shall be issued by the Garments and Textile Export Board, be consecutively numbered, state the group number, and bear an endorsement that the consignments concerned have been approved and debited to the agreed group levels for exports to Sweden for the relevant period.



Article 6

- (a) If in any twelve month period of this Agreement, the group/sub-group limits specified in Annex I to this Agreement are not fully utilized, the Government of the Philippines may, after consultations with the Government of Sweden, during the subsequent restraint period approve the export of additional amounts (carryover) equivalent to such shortfalls provided that such exports
- i) are in the same group/sub-groups where the shortfalls occurred;
 - ii) do not exceed 3 percent of the limits of these groups/sub-groups for the period during which the shortfalls occurred.
- (b) During each of the periods in columns e - i of Annex I to this Agreement, the Government of the Philippines may, after consultations with the Government of Sweden, approve the export of amounts in excess of the group/sub-group limits specified in Annex I to this Agreement up to 3 per cent of these limits (carry forward) for the relevant period. Where specific group/sub-group limits have been increased by carry forward, the Government of the Philippines shall inform the Government of Sweden of the carry forward quantities and debit these to the corresponding group/sub-group limits, which are or may be agreed upon for the subsequent period.



- (c) During each of the periods in columns e - i of Annex I to this Agreement, the Government of the Philippines may, after consultations with the Government of Sweden, approve the export of amounts in excess of the group/sub-group limits specified in Annex I to this Agreement up to 3 per cent (swing) of these limits. Where specific group/sub-group limits have been increased by swing, a corresponding reduction shall be made in one or more of other group/sub-group limits. For the purpose of calculating swing, the conversion factors in Annex IV shall apply.
- (d) During each of the periods in columns e - i of Annex I to this Agreement, the additional export quantities resulting from carryover, carry forward and swing taken together shall, for each specific group/sub-group limit, not exceed 3 per cent of the respective agreed limit.

Article 7

If the information available to the Swedish authorities shows that the quantitative limit for the category of products specified in a Special Export Licence 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 the Philippines as soon as possible. Should any excess quantity be permitted to enter Sweden, the overshipped quantity shall be deducted from the relevant level which may be agreed for the following restraint period.

Article 8

Both parties regard it as essential that exports to Sweden of the textile products listed in Annex I are spaced as evenly as possible, with due regard to normal seasonal factors, during the period of this Agreement and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Government of the Philippines undertake to provide a procedure to achieve this.

Article 9

The Government of the Philippines will forward to the Government of Sweden, via the Embassy of Sweden in Manila monthly statistics on a cumulative basis of the quantities of the groups 2, 4, 5, 6, 8, 10, 11b and of the weight of the rest group, listed in Annex I, for which duly endorsed Special Export Licences for exports to Sweden have been issued. The statistics shall reach the Government of Sweden within a period of two months from the month of reference.



The Swedish Government will forward to the Government of the Philippines monthly statistics on a cumulative basis of licences issued for imports from the Philippines of the above mentioned groups listed in Annex I. The statistics shall reach the Government of the Philippines, via the Embassy of Sweden in Manila, within a period of two months from the month of reference.

Article 10

The Government of Sweden and the Government of the Philippines agree to consult each other, at the request of either party, if any problem should arise from the implementation of this Agreement. The Government of Sweden and the Government of the Philippines agree furthermore to enter into consultations, before the end of the Agreement, on the conditions of a new Agreement.

Article 11

The Government of the Philippines and the Government of Sweden agree to collaborate with a view to taking appropriate action to avoid circumvention of limitations by such devices as transshipment, re-routing, fraud, etc.



Article 12

Either Government may terminate this Agreement before the end of the period of validity, provided that at least sixty days' notice is given. In such event the Agreement shall come to an end on the expiry of the period of notice.

Article 13

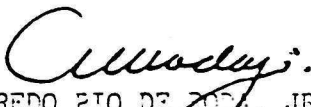
The Annexes of this Agreement shall be considered as integral parts of the Agreement.

Article 14

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

Signed in Manila on 26 April 1984.

For the Government
of the Philippines


ALFREDO PIO DE ROCA, JR.
Acting Minister of Finance
Vice-Chairman of the Garments
and Textile Export Board

For the Government
of Sweden


KENNETH BERTILSSON
Chargé d' Affaires of Sweden

EXPORTS OF CERTAIN TEXTILES FROM THE PHILIPPINES TO SWEDEN

Group No (a)	Ex Swedish Tariff Classification No (b)	Description (c)	Unit (d)	Level for period 1 Nov. 1982- 31 Oct. 1983 (e)	Level for period 1 Nov. 1983- 31 Oct. 1984 (f)	Level for period 1 Nov. 1984- 31 Oct. 1985 (g)	Level for period 1 Nov. 1985 - 31 Oct. 1986 (h)	Level for period 1 Nov. 1986 - 31 Oct. 1987 (i)
2	60.04.10- 61.03.10-	Shirts, knitted or woven, men's, boys' and infants' wear	Pieces	256,777	258,055	259,345	260,641	261,945
4	60.04.70-, 80-, 90-	Knitted underwear, other than shirts, nightwear and tights (including underwear T-shirts)	Pieces	226,125*	227,256**	228,846***	229,991****	230,681*****
5	60.05.30-	Knitted sweaters, pullovers, slipovers, jumpers and cardigans etc (including outerwear T-shirts)						
6	60.05.80-, 81-, 84-, 87-, 89- 61.01.003-4, 006, 10-, 45- 61.02.004, 006, 11-, 15-, 99-	Overcoats and jackets, knitted or woven	Pieces	67,385	67,721	68,195	68,536	68,741
8	60.05.80-, 83-, 84- 61.01.003, 005, 50- 61.02.005, 60-, 99-	Trousers, men's, boys', women's girls' and infants' wear, knitted or woven, other than shorts (including work trousers e.g. trousers with bib and braces and trousers made of "impregnated fabrics")	Pieces	77,736	78,124	78,670	79,064	79,301
10	60.05.80-, 82-, 84- 61.02.006, 50-, 90-	Blouses, knitted or woven, women's, girls' and infants' wear	Pieces	513,555	516,110	518,690	521,284	523,890

* whereof T-shirts not to exceed 82,227 pieces and other items not to exceed 143,898 pieces
 ** whereof T-shirts not to exceed 82,638 pieces and other items not to exceed 144,618 pieces
 *** whereof T-shirts not to exceed 83,217 pieces and other items not to exceed 145,629 pieces
 **** whereof T-shirts not to exceed 83,633 pieces and other items not to exceed 146,358 pieces
 ***** whereof T-shirts not to exceed 83,884 pieces and other items not to exceed 146,797 pieces

Two or more pieces of garments delivered in combination, even if packed, consigned and sold together, should be charged against the group to which even a single piece of the combination belongs.

Handwritten signature

Group No (a)	Ex Swedish tariff Classification No (b)	Description (c)	Unit (d)	Level for period 1 Nov. 1982 - 31 Oct. 1983 (e)	Level for period 1 Nov. 1983 - 31 Oct. 1984 (f)	Level for period 1 Nov. 1984 - 31 Oct. 1985 (g)	Level for period 1 Nov. 1985 - 31 Oct. 1986 (h)	Level for period 1 Nov. 1986 - 31 Oct. 1987 (i)
11b	60.05.20-, 80-, 84-, 896, 61.01.003, 006, 904-9, 61.02.006, 902-6, 909, 99-	Bathing suits and trunks	Pieces	111,957	112,517	113,079	113,645	114,213
Restgroup								
1,3,7, 9,11a, 11c-d, 11f-i, 12-14, 17,19a,b,d	60.03.00-, 10-, 90-	Knitted stockings, understockings, socks, ankle socks, sockettes and the like, other than ladies' stockings of continuous synthetic fibres)					
	60.04.21-, 25-, 60-	Knitted nightwear and tights)					
	60.05.10-, 60-, 80-, 84-, 85-, 812, 87-, 89-, 90-, 91-	Knitted outerwear, <u>other than</u> sweaters, pullovers, slipovers, jumpers, cardigans etc (group 5), overcoats and jackets (group 6), trousers other than shorts (group 8), blouses (group 10) and bathing suits and trunks (group 11b). Curtains and other furnishing articles, knitted or crocheted.)					
	61.01.003, 006, 30-, 41-, 70-, 912, 90-, 95-, 922	Men's and boys' woven outer garments <u>other than</u> overcoats and jackets (group 6), trousers other than shorts (group 8) and bathing suits and trunks (group 11b)	Metric tons	37.000	37.259	37.519	37.707	37.820
	61.02.006, 20-, 30-, 40-, 80-, 90-, 94-, 95-, 99-	Women's, girls' and infants' woven outer garments <u>other than</u> overcoats and jackets (group 6), trousers other than shorts (group 8), blouses (group 10) and bathing suits and trunks (group 11b))					

Two or more pieces of garments delivered in combinations, even if packed, consigned and sold together, should be charged against the group to which every single piece of the combination belongs.

Group No (a)	Ex Swedish Tariff Classification No (b)	Description (c)	Unit (d)	Level for period	Level for period	Level for period	Level for period	Level for period
				1 Nov. 1982 - 31 Oct. 1983 (e)	1 Nov. 1983 - 31 Oct. 1984 (f)	1 Nov. 1984 - 31 Oct. 1985 (g)	1 Nov. 1985 - 31 Oct. 1986 (h)	1 Nov. 1986 - 31 Oct. 1987 (i)
61.03.20- 61.04.10-		Men's, boys', women's, girls' and infants' nightwear, not knitted or crocheted)					
61.09.20-		Brassières (including brassières of knitted or crocheted fabric))					
62.01.all		Travelling rugs and blankets)					
62.02.11-, 19-, 31-, 39-, 71-, 79-		Bed linen, towels and similar articles, curtains and other furnishing articles not knitted or crocheted)					

Two or more pieces of garments delivered in combinations, even if packed, consigned and sold together, should be charged against the group to which every single piece of the combination belongs.

Handwritten signature

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 represents 50 percent 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.



Republic of the Philippines
Office of the President
GARMENTS & TEXTILE EXPORT BOARD
Makati, Metro Manila

ANNEX III

SPECIAL EXPORT LICENSE

SERIAL NO. SW 000766-80

I. THIS SECTION TO BE FILLED IN FOR EVERY SHIPMENT:

1. Name and Address of Importer: _____
2. Name and Address of Exporter: _____
3. Name of Carrier: _____
4. Date of Shipment: _____
5. Destination: _____

II. THIS SECTION TO BE FILLED IN FOR EVERY SHIPMENT:

(1) Marks and Numbers on Shipping Packages	(2) Quantity (Number of Pieces)	(3) Group Number	(4) Full Description of Goods	(5) Unit Price (US Dollar)	(6) Total Invoice Dollar Value (FOB)

III. DECLARATION

I declare that the merchandise described in this license is shipped, sold or agreed to be sold, and that all the information contained herein is true and correct.


Print and Sign Name of Seller

Date Signed

IV. CERTIFICATION

This is to certify that the merchandise described in this license has been authorized for export to Sweden and that the quantity/value has been debited against the applicable level(s) of restraint set out in Annex I of the Agreement between the Philippines and Sweden for the period: _____

 _____
Print Name and Designation

 _____
Date Certified

Note: This license shall be valid only upon certification by the appropriate Officer of the Garments and Textile Export Board.
It must be accomplished in four (4) copies.

ANNEX IV

For the purpose of calculating swing,
the following conversion factors shall apply:

<u>GROUP NO.</u>	<u>CONVERSION FACTOR</u> <u>(Piece/Kilogram)</u>
2	4.5
4/5	8.0
6	1.5
8	2.0
10	7.0
11B	20.0

Cmy

\$