ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4.4

Amendment to the Bilateral Agreement between
the EEC and Malaysia

Note by the Chairman

The attached notification received from the Commission of the European Communities concerns an amendment to the existing Article 4 agreement with Malaysia. The amendment relates to new limits on exports from Malaysia with respect to category 24 to Benelux.

For details of the existing agreement and previous amendment see COM.TEX/SB/420 and 476. See also TEX.SB/550.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4, paragraphe 4

Modification de l'accord bilatéral entre
la CEE et la Malaisie

Note du Président

La Commission des Communautés européennes a fait parvenir au secrétariat la notification ci-jointe relative à une modification de l'accord que la CEE a conclu avec la Malaisie au titre de l'article 4. Cette modification consiste à fixer de nouveaux plafonds aux exportations malaisiennes de produits de la catégorie 24 à destination du Benelux.

Dear Mr Ambassador,

In connection with the European Economic Community's Agreement on trade in textile products with the Federation of Malaysia negotiated under Article 4 of the Arrangement and initialled on 21 December 1977, I have to inform you of the following:

During the course of 1979 imports of pyjamas (Cat 24) from the Federation of Malaysia into the Benelux region of the Community exceeded 12,000 pieces, being the level at which the Community can ask for consultations with a view to establishing a limit in respect of the region of the Community concerned under the provisions of Article 6 of the Agreement. The Community having deemed that there was real risk of market disruption in this case, the two sides consulted on 9 April 1980 in pursuance of Article 14 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, the Federation of Malaysia agreed to limit exports to Benelux as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit</th>
<th>Member State</th>
<th>1979</th>
<th>1980</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>000 p</td>
<td>BNL</td>
<td>-</td>
<td>160</td>
<td>170</td>
<td>180</td>
</tr>
</tbody>
</table>

These new limits contained in the agreed minute annexed to this letter are herewith communicated under Article 4, Paragraph 4 of the Arrangement, as a modification to the Community's Agreement with Malaysia.

Yours sincerely,

[Signature]

J.R. BECK
1. Representatives of the Federation of Malaysia and the European Economic Community met on 9 April 1980 in Brussels for consultations in accordance with Article 14 of the Agreement on trade in textiles between the Community and Malaysia initialled on 21 December 1977.

2. As a result of consultations, Malaysia agreed to limit its exports of pyjamas (Category 24, Nimexe positions 60.04-47; 73) to the Benelux countries to the following levels:

- 1980: 160,000 pieces (exceptionally, a supplementary quantity of 40,000 pieces for 1980 has been agreed)
- 1981: 170,000 pieces (includes growth rate of 6%)
- 1982: 180,000 pieces (includes growth rate of 6%)

3. According to the Mission's Note Verbale MV 21/80 dated 28 February 1980 and the Directorate-General's Note Verbale No. 01989 dated 7 March 1980, it was understood that the quantity of goods falling within this category, exported to the Benelux countries since 1 January 1980 should be imputed to the quantitative limit agreed for 1980.

4. It remains the understanding of both parties that the provisions of the Agreement which concern exports of products subject to quantitative limits established in Annes II, in particular the licence procedures set out in Protocol A, shall continue to exports of pyjamas from Malaysia to the Benelux countries.

5. It is the understanding of both parties that the flexibility provisions set out in Article 5 of the Agreement are applicable to the limit for exports of pyjamas from Malaysia to the Benelux countries.

Brussels, 25 April 1980

Head of Delegation
Federation of Malaysia

Head of Delegation
European Economic Community
**BASKET EXIT LIMITATION**

**Category**: 24 (pyjamas)  
**Unit**: pieces  

<table>
<thead>
<tr>
<th>Countries</th>
<th>Malaysia - BNL</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Date when new limit was agreed</td>
<td>25 April 1980</td>
</tr>
<tr>
<td>b) Basket Exit level (( % ) of previous year's total imports in category under consideration)</td>
<td>12,000 pieces</td>
</tr>
<tr>
<td>c) Level agreed</td>
<td>160,000 pieces</td>
</tr>
<tr>
<td>d) First year of application of new limit</td>
<td>1980</td>
</tr>
<tr>
<td>e) Annual growth</td>
<td>((80/81 = 6.25 %)(81/82 = 5.8 %))</td>
</tr>
<tr>
<td>f) Date when consultation was requested</td>
<td>7/3/1980</td>
</tr>
<tr>
<td>g) Recorded imports at date of request for consultation</td>
<td>124,000 pieces</td>
</tr>
<tr>
<td>h) Period covered by g)</td>
<td>1/1/1979 - 31/12/1979</td>
</tr>
<tr>
<td>i) Imports during calendar year preceding year during which consultation was requested</td>
<td>127,000 (1979) - 24,000 (1978)</td>
</tr>
</tbody>
</table>