

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL
TEX.SB/236
19 August 1977

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral Agreement between Norway and the Philippines

Note by the Chairman

Attached is a copy of an agreement formally concluded between Norway and the Philippines under Article 4 of the Arrangement.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral conclu entre la Norvège et les Philippines

Note du Président

On trouvera ci-joint copie d'un accord conclu formellement entre la Norvège et les Philippines au titre de l'article 4 de l'Arrangement.

TS/140-4

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DÉLÉGATION DE NORVÈGE

CASE POSTALE 7

GENÈVE 19

Geneva, 26 July 1977

Dear Ambassador Wurth,

Please find enclosed a Memorandum of Understanding setting out the arrangement which has been agreed upon between the Government of the Kingdom of Norway and the Government of the Republic of the Philippines regarding the exports from the Philippines to Norway of certain textile products.

Enclosed is also a short reasoned statement concerning this Agreement which was signed in Manila on 20 June 1977. The Agreement covers the period 1 October 1976 to 31 December 1977 for woven shirts, and the year 1977 for the other items.

Yours sincerely,

Erik Selmer
Chargé d'Affaires a.i.

H.E. Mr. P. Wurth,
Chairman,
Textiles Surveillance Body,
GATT,
Geneva.

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Consultant (ADG)			
Conf. Div.			
Dir. Ext. Relo/info.			

Wurth
HJ

MEMORANDUM OF UNDERSTANDING

1. This Memorandum of Understanding sets out the Arrangement that has been agreed upon between the Government of the Kingdom of Norway and the Government of the Republic of the Philippines regarding the exports from the Philippines to Norway of certain textile products which are set out in the Annex to this Memorandum.
2. In reaching agreement on this Arrangement the Authorities of the two countries have had regard to the provisions of Article 4 of the Arrangement Regarding International Trade in Textiles, in order to ensure the orderly development of trade in textiles between the two countries.
3. The Government of the Republic of the Philippines will voluntarily restrain the exports to Norway of the textile items listed in the Annex to the limits listed in column (e), for the periods listed in column (d) of the mentioned Annex.
4. The Government of the Republic of the Philippines will issue export certificates stating that the export to Norway of the textile items mentioned in the Annex are of Philippine origin and debited to the restraint limits.
5. The Government of the Kingdom of Norway will automatically issue import licenses up to the agreed levels whenever export certificates as described in paragraph (4) are produced.
6. If at the end of 1977 exports of the items mentioned in the Annex are less than the respective restraint limits, additional exports, equivalent to such shortfalls, may take place during 1978, provided that such additional exports do not exceed 10 percent of the restraint limits.

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7. The exports of the items mentioned in the Annex may exceed the respective restraint limits by 7 percent provided that corresponding deductions are made from any limits which may be agreed in respect of the same textile products in the immediately following restraint period.
8. The carryover mentioned in paragraph 6, and the carry forward mentioned in paragraph 7, taken together shall not exceed 10 percent of the agreed levels listed in column (e) of the Annex.
9. Exports may exceed the restraint limits for any of the categories by not more than 7 percent, provided that a corresponding reduction is applied in any other category in the same period. For the purpose of calculating such corresponding reductions, the conversion factors listed in column (f) of the Annex shall apply.
10. The Government of the Republic of the Philippines will provide the Government of the Kingdom of Norway with quarterly statistics of the licenses issued for export to Norway of the items mentioned in the Annex.
11. The Government of the Kingdom of Norway will provide the Government of the Republic of the Philippines with quarterly statistics on the importation into Norway of the items mentioned in the Annex.
12. If the Government of the Republic of the Philippines considers that as a result of the restraint imposed by this Arrangement, the Philippines is being placed in an inequitable position vis-a-vis a third country, the Government of the Republic of the Philippines may request the Government of the Kingdom of Norway to consult with a view to appropriate remedial action such as a reasonable modification of this Arrangement.

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13. The Government of the Kingdom of Norway will, so far as possible, inform the Government of the Republic of the Philippines when imports into Norway of garments that have been debited to the agreed limits are subsequently re-exported from Norway. The Government of the Republic of the Philippines may then credit the quantities involved to the appropriate limits.
14. The Government of the Republic of the Philippines and the Government of the Kingdom of Norway agree to consult together at the request of either party, on any matter arising from the implementation of this Arrangement.

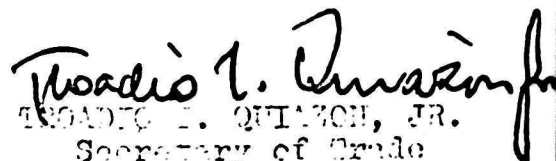
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FOR THE GOVERNMENT OF THE
KINGDOM OF NORWAY



THORVALD ERIKSEN
Charge D' Affaires
Kingdom of Norway

FOR THE GOVERNMENT OF THE
REPUBLIC OF THE PHILIPPINES



RODOLFO I. QUIZON, JR.
Secretary of Trade
Republic of the Philippines

12/17- RMP.

ANNEX

(a) Category Number	(b) CCCN No. Statistical Classification	(c) Description	(d) Restraint period	(e) Restraint limit (pieces)	(f) Conversion factor (Sq. yard equivalent per dozen)
1.	61.03.120 61.03.151 61.03.159 61.03.161 61.03.169 61.03.191 61.03.199	Woven shirts, wholly or mainly of cotton or of man-made fibres, men's and boys' wear	1 October 1976 to 31 December 1977	134,400	22
2.	61.01.520 61.01.540 61.01.550 61.01.560 61.01.590 61.02.620 61.02.640 61.02.650 61.02.660 61.02.690	Woven slacks, jeans, and trousers (except shorts), wholly or mainly of cotton or of man-made fibres or of wool, men's and boys' and women's and girls' wear .	1 January 1977 to 31 December 1977	125,000	18



(a) Category number	(b) CCCN No. Statistical Classification	(c) Description	(d) Restraint period	(e) Restraint limits (pieces)	(f) Conversion factor (Sq. yard equivalent per dozen)
3.	60.05.320 60.05.330 60.05.340 60.05.350 60.05.360 60.05.370 60.05.390	Knitted jackets, jumpers, sweaters, cardigans, and pullovers, wholly or mainly of cotton, man-made fibres or of wool, men's and boys', women's, girls and infants wear	1 January 1977 to 31 December 1977	120,000	37
4.	61.02.520 61.02.540 61.02.550 61.02.560 61.02.590	Woven blouses, wholly or mainly of cotton, or of man-made fibres, women's and girls' wear	1 January 1977 to 31 December 1977	72,500	15

NOTE : Garments exported in sets or suits shall be charged separately against the applicable restraint limits for the component items of such sets or suits.

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Short reasoned statement.

Consultations between the Government of Norway and the Government of the Philippines with regard to the exports of certain garments from the Philippines started in Manila 24-25 March 1976 and continued in Manila 1-5 October 1976. During the first round of consultations the two delegations were unable to reach agreement whereas in October although no definite agreement was reached, the two delegations agreed on an interim agreement for the period 1 October 1976 to 31 December 1977 for the exportation of woven shirts into Norway. The two delegations agreed that further consultations were necessary and that they should be resumed by March 1977.

Another round of consultations took place in Manila 14-18 April 1977. During these deliberations the two delegations agreed that in order to eliminate real risks of market disruption on the Norwegian market for certain textile items and to ensure an orderly development in the exportation of these products from the Philippines, there was a need for an arrangement between the two parties. This arrangement comprises the exports from the Philippines to Norway of woven shirts, men's and boys' wear; woven slacks, jeans and trousers (except shorts), men's and boys' and women's and girls' wear; knitted jackets, jumpers, sweaters, cardigans and pullovers, men's and boys', women's, girls' and infants' wear; and woven blouses, women's and girls' wear. The arrangement includes provisions for carry over (10%), carry forward (7%) and swing (7%). In reaching agreement on this Arrangement the two delegations had regard to the provisions of Article 4 of the Arrangement Regarding International Trade in Textiles in order to ensure the orderly development of trade in textiles between the two countries. The Arrangement covers the period 1 October 1976 to 31 December 1977 for woven shirts, and the year 1977 for the other items. The Arrangement was formally signed on 20 June 1977.

During the consultations the two delegations recognized the very difficult situation for the Norwegian textile and clothing industry due to increased imports at low prices. The mills

affected are partly situated in small communities where their continued existence is vital to the economic life, as well as to the employment, particularly of female workers.

Due to increased imports, the market share of domestic producers has been reduced and was in 1976: shirts 18,7%, blouses 9,7%, slacks, jeans etc. 32,1%, knitted jackets etc. 11,9%.

Please find enclosed a copy of the Arrangement as well as statistics on the Norwegian imports, production and consumption of the products covered by the Arrangement.

26.1.77

61.02.520-590 Imports of blouses and jumpers, not knitted or crocheted,
women's and girls' wear.

Import	1974				1975				1976			
	1000 pcs.	1000 Ncr	aver. price	imp. share	1000 pcs.	1000 Ncr	aver. price	imp. share	1000 pcs.	1000 Ncr	aver. price	imp. share
Hong Kong	555	8.013	14,44	31,5	623	8.857	14,22	35,4	544	9.420	17	28,0
Sweden	247	7.886	31,93	14,0	210	8.916	42,46	11,9	233	8.744	39	11,5
Denmark	171	6.867	40,16	9,7	157	7.530	47,96	8,9	170	8.192	48	8,7
India	175	2.870	16,40	9,9	60	1.271	21,18	3,4	278	4.932	18	14,3
Portugal	208	3.351	16,11	11,2	294	4.383	14,91	16,7	225	4.255	19	11,6
United Kingdom	118	3.722	31,54	6,7	110	3.705	33,68	6,3	135	4.336	32	6,9
Malaysia	39	536	13,74	2,2	43	459	10,67	2,4	31	423	14	1,6
Philippines	-				35	484	13,83	2,0	39	566	15	2,0
Thailand	24	401	16,71	1,4	8	66	10,75	0,5	36	465	13	1,9
Finland	56	2.332	41,64	3,2	49	2.422	49,55	2,8	63	2.812	45	3,2
Singapore	2	30	15,00	0,1	15	173	11,53	0,9	25	375	15	1,3
Sri Lanka	12	148	12,33	0,7	-	-	-	-	15	201	13	0,8
Malta									25	284	11	1,3
other countries	154	3.957	25,69	8,8	154	4.628	30,05	8,8	134	5.601	42	6,9
Total	1.761	40.113	22,78	100,0	1.758	42.920	24,41	100,0	1.943	50.606	26	100,0
Production	182				200 ^{x)}							
Export	7				18							
Tot. cons.	1.936				1.940							
Self cover %	9,0				9,4							

x) Production figures are estimated.

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Shirts, dress and not dress, not knitted or crocheted

Import	1974				1975				1976			
	1000 pcs.	1000 NCR	aver. price	imp. share	1000 pcs.	1000 NCR	aver. price	imp. share	1000 pcs.	1000 NCR	aver. price	imp. share
Hong Kong	936	15,055	16	28.4	877	14,079	16	25.3	705	12,678	18	20.5
Portugal	940	18,120	19	28.5	640	14,850	23	18.4	767	18,536	24	22.3
India	208	3,514	17	6.3	41	701	17	1.2	207	3,759	18	6.0
Czechoslovakia	211	2,318	11	6.4	223	2,512	11	6.4	244	2,856	12	7.1
Sweden	177	6,914	39	5.4	261	10,613	41	7.5	142	7,160	50	4.1
Malaysia	107	1,458	14	3.2	171	2,479	14	4.9	189	2,926	15	5.5
Singapore	93	1,494	16	2.8	118	1,870	16	3.5	126	1,851	15	3.7
Sri Lanka	4	69	17	0.1	44	480	11	1.3	36	407	11	1.0
South Korea	28	367	13	0.8	47	552	12	1.4	46	718	16	1.3
China	30	349	12	0.9	37	417	11	1.1	33	420	13	1.0
Philippines	29	417	14	0.9	49	659	13	1.4	103	1,335	13	3.0
Denmark	74	2,331	32	2.2	58	2,117	37	1.7	46	2,029	44	1.3
Italy	78	987	13	2.4	43	633	15	1.2	22	770	35	0.6
Great Britain	87	2,935	34	2.6	126	4,495	36	3.6	158	6,862	43	4.6
Switzerland	50	1,748	35	1.5	70	2,492	36	2.0	47	1,609	34	1.4
Netherlands	20	650	33	0.6	112	3,561	32	3.2	119	4,049	34	3.5
Thailand	88	1,299	15	2.7	350	4,512	13	10.3	175	2,389	14	5.1
Poland									72	1,106	15	2.1
Austria									28	1,070	38	0.8
Turkey									26	526	20	0.8
Other countries	137	4,188	30	4.3	197	4,705	24	5.7	149	4,152	28	4.3
Total	3,297	64,243	19	100	3,473	71,727	21	100	3,440	77,208	22	100
+ production	906				750 x)							
- export	11	493	45		13							
tot. consumpt.	4,192				4,210							
Self cover.	21.3				17.5							

x) Production figures are estimated

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26.1.77

6101.520-590 Slacks, jeans and trousers, men's and boys' wear

Import	1974				1975				1976			
	1000 pcs.	1000 NCr	aver. price	imp. share	1000 pcs.	1000 NCr	aver. price	imp. share	1000 pcs.	1000 NCr	aver. price	imp. share
Hong Kong	595	10.949	18	23,3	1.092	19.555	18	35,9	885	21.205	24	25,6
Great Britain	462	16.589	36	18,1	538	21.820	41	17,7	859	40.651	47	24,8
Finland	382	12.555	33	15,0	249	10.089	41	8,2	180	8.222	46	5,2
Denmark	287	15.524	54	11,2	305	19.352	63	10,0	368	26.293	71	10,6
Belgium/Luxemb.	168	6.276	37	6,6	78	3.319	43	2,6	106	4.736	45	3,1
Sweden	327	15.723	48	12,8	266	15.514	58	8,7	271	19.527	72	7,8
Italy	18	634	35	0,7	62	2.225	36	2,0	22	1.870	85	0,6
Malta	-	-	-	-	27	1.091	40	0,9	3	133	44	0,1
Portugal	155	5.239	34	6,1	153	6.083	40	5,0	226	8.627	38	6,5
Spain	9	211	23	0,4	31	1.502	48	1,0	58	2.761	48	1,7
China	4	47	12	0,2	29	440	15	1,0	40	591	15	1,2
Singapore	15	225	15	0,6	27	638	24	0,9	96	2.764	29	2,8
Thailand	10	178	18	0,4	13	257	18	0,4	60	1.262	21	1,7
Macao	18	421	23	0,7	13	267	21	0,4	-	-	-	-
Czechoslovakia	23	708	31	0,9	16	527	33	0,5	5	159	32	0,1
Mexico	12	551	46	0,5	6	275	46	0,2	10	192	19	0,3
Brazil	5	123	41	0,1	-	-	-	-	24	747	31	0,7
Hungary	9	288	32	0,4	16	516	32	0,5	4	172	43	0,1
USA									129	6.689	52	3,7
Philippines									22	377	17	0,6
Malaysia									11	257	23	0,3
Other countries	53	2.828	49	2,3	123	5.092	41	4,0	82	5.237	64	2,4
Total	2.555	89.069	35		3.044	108.542	36		3.461	152.472	44	100,0
Production	2.137				2.150 ^{x)}							
Exports	41				38							
Estim.cons.	4.651				5.156							
Self cover %	45,1				41,0							

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26.1.77

61.02.620-690 Slacks, jeans and trousers, women's and girls' wear

Import	1974				1975				1976			
	1000 pcs.	1000 NCr	Aver. price	Imp. share	1000 pcs.	1000 NCr	Aver. price	Imp. share	1000 pcs.	1000 NCr	Aver. price	Imp. share
Hong Kong	140	2.945	21	8,6	245	5.065	21	14,4	258	7.263	28	11,8
Malta	242	5.843	24	14,9	232	8.186	35	13,6	340	13.508	40	15,6
Sweden	247	9.685	39	15,2	184	9.524	52	10,8	264	19.314	73	12,1
Denmark	453	21.273	47	27,9	512	28.601	56	30,0	625	36.241	58	28,6
Finland	187	9.328	50	11,5	91	4.539	50	5,3	83	4.682	56	3,8
Belgium/Luxemb.	54	1.714	32	3,3	62	2.243	36	3,6	3	188	63	0,1
Great Britain	68	2.309	34	4,2	72	3.562	49	4,2	131	7.613	58	6,0
France	26	1.774	68	1,6	39	3.245	83	2,3	35	2.855	82	1,6
Czechoslovakia	25	520	23	1,4	54	1.508	28	3,2	52	1.125	22	2,4
USA	12	339	28	0,7	55	2.138	39	3,2	68	3.138	46	3,1
Portugal	103	3.298	32	6,4	86	3.308	38	5,0	82	3.283	40	3,8
China	7	93	13	0,4					6	40	7	0,3
Singapore	4	73	18	0,2	4	82	21	0,2	29	695	24	1,3
Thailand	3	69	23	0,2	6	126	21	0,4	29	744	26	1,3
Philippines									-	-	-	-
Malaysia									5	147	29	0,2
Italy									63	4.143	66	2,9
Brazil									30	1.039	35	1,4
India									17	413	24	0,8
Other countries	53	3.921	74	3,5	62	3.446	56	3,8	63	3.549	56	2,9
Total import	1.622	62.184	38	100,0	1.704	75.573	44	100,0	2.183	109.980	50	100,0
Production	1.024				1.000							
Export	49				39							
Total supply	2.597				2.665							
Self cover %	37,5				36							

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BTN 6005.320 - 390 JACKETS, SWEATERS, CARDIGANS, PULLOVERS, KNITTED OR CROCHETED, OF ALL FIBRES,
EXCEPT PURE SILK

COUNTRIES OF ORIGIN	1974				1975				1976			
	QUANTITIES		VALUE		QUANTITIES		VALUE		QUANTITIES		VALUE	
	MET. TONS	IMP. SHARE	1000 NCR.	NCR. PR.KG	MET. TONS	IMP. SHARE	1000 NCR.	NCR. PR.KG	MET. TONS	IMP. SHARE	1000 NCR.	NCR. PR.KG
Singapore	1	0.1	92	84	7	0.4	367	55	56	1.4	2.289	64
Hong Kong	298	19.7	24.190	96	639	33.3	45.473	71	834	32.3	67.500	81
Denmark	421	27.8	50.208	119	436	22.7	55.384	127	576	22.3	77.764	135
Italy	114	7.5	9.669	85	121	6.3	9.850	81	222	8.6	15.685	71
U.K.	184	12.2	24.834	135	176	9.2	23.444	133	195	7.6	23.366	120
Sweden	116	7.7	15.751	136	137	7.1	20.491	150	134	5.2	21.908	163
Portugal	98	6.5	7.652	78	131	6.8	11.042	84	116	4.5	10.587	91
Thailand	1	0.1	58	58	9	0.5	634	70	80	3.1	5.233	65
Finland	38	2.5	5.185	136	58	3.0	8.697	150	61	2.4	10.094	165
Romania	41	2.7	1.038	25	24	1.3	944	39	55	2.1	2.320	42
Poland	26	1.7	1.245	48	29	1.5	1.332	46	46	1.8	2.117	46
Malaysia	-	-	-	-	7	0.4	484	69	31	1.2	1.781	57
Austria	18	1.2	3.054	170	14	0.7	2.887	206	28	1.1	7.520	269
Western Germany	15	1.0	1.606	183	8	0.4	1.245	156	23	0.9	3.981	173
Czechoslovakia	37	2.4	1.661	45	25	1.3	969	39	21	0.8	800	33
Hungary	30	2.0	1.738	58	18	0.9	1.083	60	17	0.7	1.076	63
China	3	0.2	173	58	12	0.6	686	57	11	0.4	562	51
Macao									6	0.2	387	65
Philippines									7	0.3	473	63
Korea-South									18	0.7	820	46
Other countries	72	4.7	6.496	90	69	3.6	6.902	100	62	2.4	6.423	104
Total imports	1.513	100.0	154.650	102	1.920	100.0	191.914	100	2.579	100.0	262.686	102
Production	750				670							
Exports	409				366							
Estimated Consumption	1.854				2.224							
Selfcoverage %		18.4			15.7							