

GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE

ACCORD GENERAL SUR  
LES TARIFS DOUANIERS  
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/250  
28 September 1977

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Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral Agreement between Norway and Thailand

Note by the Chairman

Attached is a copy of a note transmitted by the Norwegian Delegation which contains the text of an agreement concluded between Norway and Thailand under Article 4 of the Arrangement. Also attached is a copy of the short reasoned statement.

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ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral conclu entre la Norvège et la Thaïlande

Note du Président

On trouvera ci-joint copie d'une note communiquée par la délégation norvégienne, qui contient le texte d'un accord conclu entre la Norvège et la Thaïlande conformément à l'article 4 de l'Arrangement. On trouvera également ci-joint copie du bref exposé des motifs.

KK/ks

15/140-3

DÉLÉGATION DE NORVÈGE  
CASE POSTALE 274  
1211 GENÈVE 19

21 September 1977

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Enclosures.

Dear Ambassador Wurth,

Please find attached a copy of a note from the authorities of Thailand to the Ambassador of Norway. The note contains an agreement for 1977 between the Government of Norway and the Government of Thailand.

Enclosed is also a "short reasoned statement".

Yours sincerely,

*Erik Selmer*  
Erik Selmer  
Minister Counsellor

.E. Mr. P. Wurth,  
Chairman, Textiles Surveillance Body,  
Villa Bocage,  
Palais des Nations,  
211 Genève 10.

ANSWERED	DOC. ISSUED	FOLIO
<b>REC 22 SEP 1977</b>		
For:	Adm.	Comment
TRADE POLICY DI		
Gen. Div.		<input checked="" type="checkbox"/>
Agri. Div.		
Special Pr J.		
TRADE DEVELOP. DI.		
Sp. Asst. Tr. Nego.		
Dev. Div.		
Int'l. Di.		
CHAIK. C.	<input checked="" type="checkbox"/>	
OFFICE OF U- :		
Consultant (ADU)		
Conf. Div.		
Ext. Tele/Info.		
Ext. Rels. Sec.		
Info/Lib. Serv.		
Training Sec.		

*Handwritten initials/signature*

## SHORT REASONED STATEMENT

7977

During 1975 the importation of shirts to Norway from Thailand increased to such an extent that the Norwegian market was severely disrupted. The Norwegian Government therefore in November 1975 requested the Thai Government for consultations to be held as soon as possible with a view to finding a mutually acceptable solution. Although Thailand at that time was not a member of the Arrangement Regarding International Trade in Textiles, the Norwegian Government declared its willingness to consult in accordance with the principles of article 3 of the said Arrangement, thus giving Thailand the same treatment as participating countries.

During the consultations in November 1975, the two delegations were not able to reach an agreement. The Thai delegation was informed that because of the situation on the Norwegian market the Norwegian authorities had been compelled to temporarily suspend the issuing of import licenses for the importation of shirts of Thai origin. This had been done to prevent the situation from deteriorating further and was meant as a temporary measure to be replaced by a quota arrangement if the two parties could agree or if not, by a unilaterally imposed restriction on the importation of shirts of Thai origin.

As the two parties were unable to reach a mutually acceptable solution during the consultations in November 1975, and as further contacts between representatives of the two Governments did not lead to an arrangement, the Norwegian Government in January 1976 imposed a unilateral restraint on the importation of shirts from Thailand. The limit was preliminarily set at 200.000 pieces. This measure was notified to the Thai authorities in March 1976. In the notification the Norwegian authorities stressed that the unilateral restraint would not prevent further efforts to find an acceptable solution through consultations between the two countries. A notification of this measure was also

submitted to the chairman of the Textiles Surveillance Body.

In June 1976 the Norwegian authorities suggested that a continuation of the negotiations should take place at a mutually acceptable date. The consultations were not resumed till in October 1976.

During the consultations in Oslo in October 1976 the two parties were once more unable to reach agreement concerning the exportation of shirts from Thailand to Norway.

There was a difference of opinion as to the interpretation of the Arrangement Regarding International Trade in Textiles, and the two parties agreed to submit the case to the Textiles Surveillance Body for consideration. However, before the case had been presented to the Textiles Surveillance Body, the two parties agreed to continue the consultations.

Further consultations took place in Bangkok in February 1977, and on 11 February the two delegations initialled a draft agreement. Agreement was reached under article 4 of the Arrangement Regarding International Trade in Textiles. The two delegations agreed that in order to eliminate real risks of market disruption on the Norwegian market for shirts and to ensure an orderly development of the exports of shirts to Norway, there was a need for an arrangement between the two parties concerning the exports from Thailand to Norway of shirts.

On 30 May the agreement which covers the year 1977, was formally signed. For your information please find enclosed a copy of the agreement and a table showing the importation into Norway of shirts from the main suppliers.

Oslo,

September 1977

6103120 - 199

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	2,348	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	3.4	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	359	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				904				800x)			
- export	11	493	45		13				10			
Tot. consumpt.	4,192				4,364				4,230			
Self cover.	21.3				20,4				18,7			

x) Production figures are estimated

8.1977

Imports of shirts not knitted. BTN. 6103.120-199

January - June 1977

12447

	Quantity		Value	
	1000 pcs.	Imp. share	1000 N.cr.	Aver. price
<u>EEC</u>	<u>327</u>	<u>14,7</u>	<u>12.564</u>	<u>38</u>
UK	176	7,9	6.897	39
Netherlands	44	2,0	1.715	39
<u>EFTA</u>	<u>801</u>	<u>36,1</u>	<u>22.565</u>	<u>28</u>
Portugal	683	30,8	16.869	25
Sweden	80	3,6	4.118	51
<u>East-Europe</u>	<u>183</u>	<u>8,3</u>	<u>2.428</u>	<u>13</u>
Polen	41	1,8	690	17
Romania	18	0,8	214	12
Czechoslovakia	111	5,0	1.319	12
<u>Developing countries</u>	<u>889</u>	<u>40,1</u>	<u>16.255</u>	<u>18</u>
Hong Kong	377	17,0	7.766	21
India	245	11,1	4.294	18
Malaysia	50	2,3	825	17
Singapore	63	2,8	990	16
Sri Lanka	23	1,0	290	13
Thailand	77	3,5	1.145	15
China	7	0,3	88	13
USA	6	0,3	197	33
Other countries	4	0,2	137	34
<u>Total imports</u>	<u>2.217</u>	<u>100,0</u>	<u>54.234</u>	<u>24</u>





J.Nr 11915 UD.

No. 0501/39612

Ministry of Foreign Affairs,  
Saranrom Palace.

Bangkok, 30th May B.E. 2520 (A.D. 1977)

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of 30th May 1977 informing me that the Government of the Kingdom of Norway is prepared to conclude with the Government of the Kingdom of Thailand an Agreement based on the initialled draft agreed upon by the delegations of our two Governments which reads as follows:

"I have the honour to refer to the negotiations in Bangkok on 11 February 1977 between our two Governments and have the honour to inform Your Excellency that the Government of Norway is prepared to conclude with the Government of Thailand an Agreement regarding the trade in textiles reading as follows:

"During discussions in Bangkok on 11 February 1977 between a delegation from Norway and a delegation from Thailand, having regard to the provisions of the Arrangement Regarding International Trade in Textiles and especially its Article 4, agreement was reached on the following Arrangement:

1. The Government of Thailand will as from 1 January 1977 voluntarily restrain the export of:

Shirts, ...

His Excellency

Shirts, dress and not dress, not knitted or crocheted, wholly or mainly of cotton or synthetic fibres, men's and boys' wear (BTN 61.03.151, - 159, - 191, - 199).

For the period 1 January 1977 to 31 December 1977 export will be limited to 265,000 pieces.

2. The Government of Thailand will issue export certificates stating that shirts, dress and not dress, not knitted or crocheted, wholly or mainly of cotton or synthetic fibres, men's and boys' wear exported are of Thai origin and debited to the restraint limit.

3. The Government of Thailand will establish the export control measures described above with effect from 1 March 1977. Pending the entry into effect of this arrangement the Government of Norway will accept importation of consignments exported without export license of shirts, dress and not dress, not knitted or crocheted, wholly or mainly of cotton or synthetic fibres, men's and boys' wear shipped from Thailand after 31 December 1976 and before 1 March 1977. The Government of Norway shall forward detailed records of all such consignments to the Royal Norwegian Embassy in Bangkok for further transmittal to the Department of Foreign Trade, Ministry of Commerce, for debiting of such consignments to the agreed level.

4. The Government of Norway will inform the Government of Thailand of its imports into Norway of Thai shirts, dress and not dress, not knitted or crocheted, wholly or mainly of cotton or synthetic fibres, men's and boys' wear that have been debited to



the agreed limits are subsequently re-exported from Norway.

The Government of Thailand may then credit the quantities involved to the restraint limit.

5. The Government of Thailand will provide the Government of Norway with monthly statistics of export of shirts, dress and not dress, not knitted or crocheted, wholly or mainly of cotton or synthetic fibres, men's and boys' wear, licensed for export to Norway.

6. The Government of Norway will provide the Government of Thailand with a monthly statistics of imports of shirts, dress and not dress, not knitted or crocheted, wholly or mainly of cotton or synthetic fibres, men's and boys' wear.

7. The Governments of Norway and Thailand agree to consult together, at the request of either party, on any matter arising in connection with this Agreement.

8. The formal acceptance between the Governments of Norway and Thailand giving effect to the above Agreement will be executed through an exchange of notes between the Ministry of Foreign Affairs of Thailand and the Royal Norwegian Embassy in Bangkok."

If the foregoing proposal is acceptable to the Government of Thailand, I have the honour to suggest that the present Note, together with Your Excellency's reply to that effect should be regarded as an Agreement between our two countries."

In reply, I have the honour to inform Your

Excellency that the above proposal is acceptable to the Government of the Kingdom of Thailand and that Your Excellency's Note and confirmation contained in this Note constitute an Agreement between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

*m. Pachariyongkum.*

(Dr. Upadit Pachariyangkun)

Minister of Foreign Affairs.