

GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE

ACCORD GENERAL SUR  
LES TARIFS DOUANIERS  
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/390  
18 April 1979

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Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Note by the Chairman

I attach hereto a notification from Sweden regarding a new bilateral agreement concluded between Sweden and Yugoslavia under Article 4 of the Arrangement.

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ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Note du Président

Une notification de la Suède concernant un nouvel accord bilatéral conclu avec la Yougoslavie au titre de l'article 4 de l'Arrangement est jointe à la présente note.

Geneva, April 9, 1979

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ANSWERED	DOC. ISSUED	FOLIO
12 APR 1979		
For:		
TRADE POLICY DT		<input checked="" type="checkbox"/>
Gen. Div.		
Appl. Div.		
Special Proj.		
TRADE DEVELOP. DT.		<input checked="" type="checkbox"/>
Sp. Asst. Tr. Negs.		
Dev. Div.		
Intel. Div.		
CHAIR. TSS	<input checked="" type="checkbox"/>	
OFFICE OF DIR.		
Consent. (MAJ)		
Conf. Div.		
Dir. Ext. Relations		
Ext. Rel. Sec.		
Info/Lib. Serv.		
Training Prog.		

Ambassador P. Wurth  
 Chairman  
 Textiles Surveillance Body, GATT  
 Centre William Rappard  
 154 rue de Lausanne  
 1211 Geneva 21

Dear Mr. Ambassador,

I am notifying to the Textiles Surveillance Body an agreement concerning trade in textiles between Yugoslavia and Sweden.

This agreement has been reached for the purpose of eliminating real risks of market disruption in Sweden, while ensuring an orderly development of textile exports from Yugoslavia to Sweden, and is being notified with reference to article 4 of the Arrangement Regarding International Trade in Textiles, as well as the Protocol of Extension and the understandings set forth therein (L/4616), acceded to by Sweden through letter of 28 April 1978.

The more comprehensive approach in this, as well as in other Swedish textile agreements, has been made necessary by the deteriorating situation in whole segments of the Swedish textile industry and by the real risks of market disruption which, according to past experience, an agreement covering only certain sensitive products would present to a country like Sweden.

The present system of comprehensive agreements, i a with Yugoslavia, is based on a categorization into fourteen groups of the most sensitive textile products within CCC (BTN) chapters 60 - 62. These groups are:

- I Stockings, under stockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, other than ladies' stockings of continuous synthetic textile fibres.

- II Shirts
- III Nightwear
- IV Knitted underwear, other than shirts, nightwear and tights (including underwear T-shirts).
- V Knitted sweaters, pullovers, slipovers, jumpers and cardigans etc. (including outerwear T-shirts).
- VI Overcoats and jackets
- VII Suits, lounge coats and blazers
- VIII Trousers, other than shorts
- IX Costumes, dresses and skirts
- X Blouses
- XI Clothing, other than listed above, covered by CCC headings 60.03 - 60.05 and 61.01 - 61.04 as well as Commodity List 18 in Sweden

(Note: Commodity List 18 refers to textile products under the import licence surveillance system in Sweden. It is annexed to this letter)

- XII Travelling rugs and blankets
- XIII Bed linen
- XIV Towels and similar articles

In this agreement with Yugoslavia, separate restraint levels have been established for groups I, II, V-XI and XIII, whereas groups III, IV, XII and XIV have been merged into a common rest group, which should make a fair amount of flexibility possible. It can also be noted that most of the specific groups have a wide product coverage, which should work in the same direction. The absence of swing between the restraint groups is a reflection of a mutual recognition of the minimum viable production principle. No textiles under CCC chapters 50 - 59 are subject to restraint in the present agreement.

The difficult situation of the Swedish textile industry has become further aggravated during the last years. Imports of garments have increased substantially, while consumption has been stagnant. This has led to a further decrease of domestic production. As in previous years, a number of factories have had to close down in 1978. It should be recalled that Sweden is the country

which has the highest import penetration in the world when it comes to textiles and the highest per capita import of clothing from developing countries.

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

Yours sincerely,

  
Carl De Geer  
Permanent Representative

Annexes As stated

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*(This is not  
a part of  
the agreement)*

Clothing and other made up textile articles (ex CCC  
chapters 60-62) included in Commodity list No 18

<u>Description</u>	<u>Swedish Statistical Classification No. (CC</u>
Stockings, under stockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, other than ladies' stockings of continuous synthetic textile fibres	60.03.003-109 902-909
Undergarments, knitted or crocheted	60.04. all
Outer garments, knitted or crocheted	60.05.102-802, ex 803-804, 806, ex 809, 812-826, ex 892, ex 895,896
Outer garments, not knitted or crocheted	61.01. all 61.02. all
Shirts and night-garments, men's and boys' wear	61.03.102-209
Night-garments, women's and girls' wear	61.04.ex 102-109
Travelling rugs and blankets	62.01. all
Bed linen, towels and similar articles	62.02.110, 190, 311-399, ex 792-793

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

Article 1

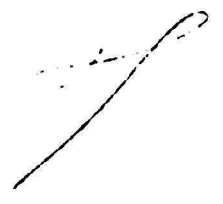

The following Agreement has been reached on the basis of the Arrangement Regarding International Trade in Textiles, particularly article 4 thereof, and the provisions of GATT document COM.TEX/W/47.

Article 2

This Agreement shall apply to textile products made of cotton, wool, man-made fibres, or blend thereof.

Article 3

The Government of Yugoslavia will limit exports from Yugoslavia to Sweden of the textile products listed in Annex I to the levels set out in that Annex. The date of issue of Customs Declarations is considered to be the date of exportation.



#### Article 4

The Government of Sweden will admit imports of the textile products of Yugoslav origin listed in Annex I. Such imports shall be covered by Export Certificates as per specimen in Annex II. Such a document shall be issued by the General Association of Textile and Clothing Industry of the Yugoslav Chamber of Economy in Belgrade, be consecutively numbered and bear an endorsement that the consignments concerned have been approved and debited to the agreed limit for exports to Sweden for the relevant period.

#### Article 5

If the information available to the Swedish authorities shows that the quantitative limit for the category of products specified in an Export Certificate 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 Yugoslavia as soon as possible.

#### Article 6

Both parties regard it as essential that exports from Yugoslavia to Sweden of the textile products listed in Annex I are evenly spaced throughout the period of agreement taking into account normal seasonal factors and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Government of Yugoslavia undertakes to provide a procedure to achieve this.

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### Article 7

The Government of Yugoslavia will forward to the Government of Sweden, via the Embassy of Sweden in Belgrade, monthly statistics on a cumulative basis of the quantities of the groups I, II, V, VI, VII, VIII, IX, X, XI a, XIII and the "rest group", listed in Annex I, for which duly endorsed Export Certificates for exports to Sweden have been issued for the relevant period of agreement. The statistics shall reach the Government of Sweden within a period of two months from the month under reference.

### Article 8

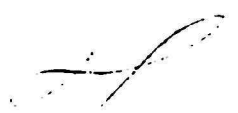
In order to ensure the proper functioning of this Agreement, the Government of Yugoslavia and the Government of Sweden shall, as far as possible, refrain from taking additional trade measures which would have the effect of nullifying the objectives of this Agreement.

### Article 9

The Government of Sweden and the Government of Yugoslavia 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 Yugoslavia furthermore agree to enter into consultations before the end of the period of this Agreement on the extension, modification or elimination of the limitations for the ensuing period. Should the Parties be unable in the course of such consultations to reach a satisfactory solution within a reasonable period of time, Sweden shall have the right to introduce limit

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not lower than those specified in Annex I to this Agreement. During these consultations the two Governments will endeavour to find mutually acceptable arrangements for the transfer of unutilized quotas from the present period of agreement to the following period.

Article 10

The two Annexes to this Agreement shall be considered as an integral part of it.

Article 11


This Agreement shall apply for the period from 1st January 1979 to 31st December 1979.

Article 12

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

Done in Stockholm on 5th October, 1978.

For the Government  
of Yugoslavia



Feliks Gorski  
Ambassador of Yugoslavia

For the Government  
of Sweden



Bengt Dennis  
Ambassador  
Ministry for Foreign Aff  
AIRS



Exports from Yugoslavia to Sweden of certain textile products of cotton, wool, man-made fibres, or blend thereof.

(a)	(b)	(c)	(d)
Group No	Swedish Tariff Classification No	Description	Level for the period 1st January 1979 to 31st December 1979
I	60.03.003 102-106, ex 109 902-906, ex 909	Stockings, understockings, socks, ankle socks, sockettes and the like, knitted or crocheted, <u>other than ladies' stockings of continuous synthetic fibres</u>	230.000 pairs
II	60.04.102-106 61.03.102-106, ex 109	Shirts	275.000 pieces
V	60.05.302-306	Knitted sweaters, pullovers, slipovers, jumpers and cardigans etc (including outerwear T-shirts)	500.000 pieces
VI	ex 60.05.803-4 812, 892, 895-896 61.01. ex 003, ex 008 104, ex 109, 454-456 61.02. ex 008 112-116, 152-156 ex 992-996	Overcoats and jackets	Aggregate level for groups VI and VII 480.000 pieces  Sub level for 1) group VI 250.000 pieces 2) group VII 250.000 pieces
VII	ex 60.05. 803-4 812, 892, 895-896 61.01. ex 003, ex 008 304-306, 414-416 61.02. ex 008, ex 902-906 ex 992-996	Suits, lounge coats and blazers	
VIII	60.05.802, ex 803-4 806, ex 895 61.01. ex 003, ex 008, 504-506 61.02. ex 008, 602-606 ex 992-996	Trousers, <u>other than shorts</u>	245.000 pieces

Group	Swedish Tariff Classification No	Description	Level for the period 1st January 1979 to 31st December 1979
IX	60.05.602-606 61.02. ex 008, 202-206 302-306, 402-406 ex 992-996	Costumes, dresses and skirts	270.000 pieces
X	60.05. ex 803-4 822, 825, 826 61.02. ex 008, 502-506, ex 509 ex 992-996	Blouses	50.000 pieces
XI a	60.05. 102, 105 ex 803-804 ex 896	Knitted tracksuits	60.000 pieces
XIII	62.02. 110, ex 190 ex 792-793	Bed linen	95.000 kilogrammes
<u>Restgroup</u>			
III, IV, XI b-e, XII, XIV	60.04. 212-216 252-256 602-606 702-706 802-806 902-906	Knitted underwear, <u>other than shirts (ex group II)</u>	150.000 kilogrammes
	60.05. 202, 205 ex 803-804 ex 892, ex 895-896	Outerwear, knitted or crocheted, <u>other than sweaters, pullovers, slipovers, jumpers, cardigans etc (group V), overcoats and jackets (ex group VI), suits, lounge coats and blazers (ex group VII), trousers other than shorts (ex group VIII), costumes, dresses and skirts (ex group IX), blouses (ex group X), and track suits (group XI a)</u>	
	61.01. ex 003, ex 008 705-706, ex 709 904-906	Men's and boys' woven outer garments <u>other than overcoats and jackets (ex group VI), suits, lounge coats and blazers (ex group VII) and trousers other than</u>	

(a)	(b)	(c)
Group No	Swedish Tariff Classification No	Description
Restgroup (cont'd)	61.02. ex 008 802-806 ex 902-906 ex 992-996	Women's, girls' and infants' woven outer garments <u>other than</u> overcoats and jackets (ex group VI), suits, lounge coats and blazers (ex group VII), trousers <u>other than</u> shorts (ex group VIII), costumes, dresses and skirts (ex group IX) and blouses (ex group X)
	61.03. 202-206, ex 209 61.04. ex 102-109	Men's and boys', women's and girls' nightwear, not knitted or crocheted
	62.01. ex 101-400, 500 600, ex 900	Travelling rugs and blankets
	62.02. 311, 319, ex 399 ex 792-793	Towels and similar articles

Note: The above-mentioned groups include clothing of impregnated, coated, covered or laminated woven or knitted fabrics.

General Association of Textile and Clothing  
Industry of the Yugoslav Chamber of Economy

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EXPORT CERTIFICATE

1. Exporting country \_\_\_\_\_
2. Export Certificate No \_\_\_\_\_
3. Exporter's name and address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We certify that the above exporter is authorized to export the following goods to Sweden which have been debited against Yugoslav country quota of 1979.

1. Destination: \_\_\_\_\_
2. Order/L/C No: \_\_\_\_\_
3. Description of goods: \_\_\_\_\_  
\_\_\_\_\_
4. Group No/CCC heading: \_\_\_\_\_
5. Quantity  
(in pieces or pairs or kilogrammes): \_\_\_\_\_  
\_\_\_\_\_
6. Value: \_\_\_\_\_  
\_\_\_\_\_
7. Means of transportation: \_\_\_\_\_
8. Date of shipment: \_\_\_\_\_
9. Importer's name and address: \_\_\_\_\_  
\_\_\_\_\_

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