

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/392
10 May 1979

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notification

Bilateral Agreement Between Sweden and Pakistan

Note by the Chairman

Attached hereto is a notification from the Swedish Mission regarding a new agreement¹ concluded between Sweden and Pakistan for the period 1 March 1979 to 29 February 1980. Also attached is the short reasoned statement.

¹For previous agreement see COM.TEX/SB/375; for observations of the TSB see paragraphs 5 and 10 of COM.TEX/SB/380.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral entre la Suède et le Pakistan

Note du Président

La Mission de la Suède a fait parvenir au secrétariat la notification ci-jointe concernant un nouvel accord¹ conclu entre la Suède et le Pakistan pour la période allant du 1er mars 1979 au 29 février 1980. Un bref exposé des motifs de cet accord est également joint à la présente note.

¹Pour l'accord précédent, voir le document COM.TEX/SB/375; pour les observations de l'OST, voir le document COM.TEX/SB/380, paragraphes 5 et 10.

ANSWERED	DOC. ISSUED	FOUR	
	TEX. SG 392		
REG 30 APR 1979			
For:	Action	Comment	Inf.
TRADE POLICY DT:			X
Gen. Div.			
Agri. Div.			
Special Proj:			
TRADE DEVELOP. DT.:			X
Sp. Asst. Tr. Nego			
Dev. Div.			
Intel. Div.			
CHAIR. TSB	X		
OFFICE OF D-G:			X
Consultant (ADG)			
Conf. Div.			
Dir. Ext. Rela./Info.			
Ext. Rela. Sec.			
Info/Lib. Serv.			
Training Prog.			

*Wurth
MS*

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Ambassador P. Wurth
Chairman
Textiles Surveillance Body
GATT
Centre William Rappard
Geneva

Dear Mr. Ambassador,

I am notifying to the Textiles Surveillance Body a new agreement concerning trade between Pakistan 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 Pakistan 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 in a country like Sweden.

The present system of comprehensive agreements, i.a. with Pakistan, is based on a categorization into fourteen groups of the most sensitive textile products within CCC (BTN). 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, night-wear 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 Pakistan, separate restraint levels have been established for groups IV, V, X, XIII and XIV, whereas groups I-III, VI-IX, XI and XII 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 group 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 PAKISTAN AND SWEDEN REGARDING
EXPORTS OF TEXTILE PRODUCTS FROM PAKISTAN TO SWEDEN

ARTICLE 1

The following Agreement has been reached on the basis of the Arrangement Regarding International Trade in Textiles, particularly articles 1:2, 4 and 6:4, and the provisions of GATT document COM.TEX/W/47.

ARTICLE 2

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

ARTICLE 3

The Government of Pakistan 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 issue of shipping documents shall be considered to be the date of exportation.

ARTICLE 4

If in the period March 1, 1978 to February 28, 1979, exports from Pakistan to Sweden of the items covered by the Agreement between Pakistan and Sweden, signed on February 18, 1977, are less than the levels specified in column (e) of the Annex thereto, Pakistan may, during the period March 1, 1979 to February 29, 1980, export amounts equivalent to such shortfalls or by 10% of the levels specified in column (d) of the Annex to this Agreement, whichever is the less.

Carryover of quantities of groups IV and V are to be distributed on the basis of 20% to group IV and 80% to group V in Annex I to this Agreement.

ARTICLE 5

The Government of Sweden will admit imports of the textile products of Pakistani origin, listed in Annex I, provided that such imports are covered by an Export Certificate, as per specimen in Annex II. Such a document shall be issued by the Export Promotion Bureau, Government of Pakistan, and shall bear an endorsement that the consignments concerned have been debited to the agreed levels for export to Sweden for the relevant period.

ARTICLE 6

Both parties regard it as essential that exports to Sweden of goods listed in Annex I are evenly spaced throughout the period of agreement and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Government of Pakistan undertakes to provide a procedure to achieve this.

ARTICLE 7

The Government of Pakistan will forward to the Government of Sweden, via the Embassy of Sweden in Islamabad, monthly statistics on a cumulative basis of the quantities of the groups IV, V, X, XIII, XIV and of the value of the "rest group", listed in Annex I, for which duly endorsed export certificates for exports to Sweden have been issued.

The Swedish Government will forward to the Government of Pakistan monthly statistics on a cumulative basis of imports from Pakistan of the above mentioned groups listed in Annex I. The statistics shall be forwarded to the Government of Pakistan, via the Embassy of Sweden in Islamabad, as soon as possible.

ARTICLE 8

The Government of Pakistan and the Government of Sweden agree to consult each other, at the request of either, when any problem arises from the implementation of this Agreement. The Government of Pakistan and the Government of Sweden furthermore agree to enter into consultations on the extension, modification or elimination of the limitations before the end of the period of agreement.

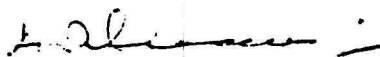
ARTICLE 9

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

ARTICLE 10

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

Done at Stockholm on February 27, 1979.



(AZMAT ALI KHAN)

For the Government of
Pakistan



For the Government of
Sweden

Fibres wool, cotton or man-made and blend thereof (including clothing of impregnated, coated, covered or laminated woven or knitted fabric falling within heading No 59.08, 59.11 or 59.12 CCC)

(a)	(b)	(c)	(d)
Group No	Swedish Tariff Classification No	Description	Level for period 1-3-79 to 29-2-80
IV	60.04, 702-6 802-6 902-6	Underwear, knitted or crocheted, <u>other than</u> shirts, nightwear and tights (including underwear T-shirts)	Aggregate level for groups IV and V : <u>1 166 000 pieces</u> -sublevel for group IV: <u>242 528 pieces</u>
V	60.05, 302-6	Sweaters, pullovers, slipovers, jumpers and cardigans etc, knitted or crocheted (including outerwear T-shirts)	-sublevel for group V : <u>970 112 pieces</u>
X	60.05, ex 803-4, 82- 61.02, ex 008 502-6, ex 509 ex 992-6	Blouses	<u>231 150 pieces</u>
XIII	62.02, 110, ex 190 ex 792-3	Bed linen	<u>545 000 kilograms</u>
XIV	62.02, 31-, ex 399 ex 792-3	Towels and similar articles	<u>250 000 kilograms</u>
Restgroup I-III, VI-IX, XI-XII			
	60.03, 003-6 102-6, ex 109 902-6, ex 909	Stockings, understockings, socks, ankle socks, sockettes and the like, knitted or crocheted, <u>other than</u> ladies' stockings of continuous synthetic fibres	<u>3.0 million Swedish Crowns F.O.B. value</u>
	60.04, 102-6, 212-6 252-6, 602-6	Shirts, nightwear and tights, knitted or crocheted	
	60.05, 10-, 20-, 602-6 802, 806 ex 803-4 82-69-	Outer garments, knitted or crocheted, <u>other than</u> sweaters, pullovers etc (group V) and blouses (ex group X)	
	61.01, 001-6 104, ex 109 304-6, 414-6 454-6, 504-6 705-6, ex 709 904-6	Men's and boys' woven outer garments	
	61.02, ex 008 112-6, 152-6 202-6, 302-6 402-6, 602-6 802-6, 902-6 ex 992-6	Women's, girls' and infants' woven outer garments <u>other than</u> blouses (ex group X)	
	61.03, 102-6, ex 109 202-6 , ex 209	Men's and boys' shirts and nightwear, not knitted or crocheted	
	61.04, 302-6 , ex 109	Women's, girls' and infants' nightwear, not knitted or crocheted	
	62.01, ex 101-400 500, 600 ex 900	Travelling rugs and blankets	

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Original

Government of Pakistan

Export Promotion Bureau

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EXPORT CERTIFICATE FOR COTTON TEXTILES

- 1. Exporting Country _____
- 2. Export Certificate No _____ Date _____
- 3. Exporter's name and address _____

We certify that the above exporter is authorised to export the following goods which have been debited against Pakistan country quota of—

- 1. Destination : _____
- 2. Order/E/C No. : _____
- 3. Description of goods : _____
- 4. Category : _____
- 5. Net weight :
(in sq. yds/kilograms or metric tons) _____
- 6. Value : _____
- 7. Name of ship or flight No. : _____
- 8. Date of shipment : _____
- 9. Importer's name and address : _____

Export Promotion Bureau
Government of Pakistan

Copy forwarded to :
The Collector of Customs,
Customs House,
KARACHI.