

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL
TEX.SB/547
11 July 1980

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Amendment to the Bilateral Agreement between
the EEC and Brazil

Note by the Chairman

The attached notification received from the Commission of the European Communities concerns a further amendment to the Article 4 agreement with Brazil¹. The amendment relates to new limits on exports from Brazil with respect to category 26 to Benelux.

¹For details of agreement and previous amendment see COM.TEX/SB/404, 482, 514 and 554.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4, paragraphe 4

Modification de l'accord bilatéral entre la CEE
et le Brésil

Note du Président

La Commission des Communautés européennes a fait parvenir au secrétariat la notification ci-jointe relative à une nouvelle modification de l'accord¹ qui a été négocié avec le Brésil au titre de l'article 4. Cette modification porte fixation de nouvelles limites aux exportations brésiliennes de produits de la catégorie 26 à destination du Benelux.

¹Pour le détail de l'accord et les modifications précédentes, voir les documents COM.TEX/SB/404, 482, 514 et 554.

COMMISSION
OF THE
EUROPEAN COMMUNITIES

Directorate-General for
External Relations
I-E-1

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Brussels, 30 June 1980
JRB/cltm

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Ambassador P. WURTH,
Chairman,
Textiles Surveillance Body, GATT
Centre William Rappard,
rue de Lausanne, 154
CH - 1211 GENEVA 21

Dear Mr. Ambassador,

In connection with the European Economic Community's Agreement on trade in textile products with Brazil negotiated under Article 4 of the Arrangement and signed on 23 January 1980, I have to inform you of the following :

During the course of 1979 imports of dresses category (26) from Brazil into the Benelux region of the Community exceeded 19,000 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 19 December 1979 in pursuance of Article 12 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, Brazil agreed to limit exports to Benelux as follows :

Category	Unit	Member State	1979	1980	1981	1982
26	000 p	BNL	-	365	383	402

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 Brazil.

ANSWERED	DOC. ISSUED	FOLIO
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Yours sincerely,

J.R. Beck
J.R. BECK

AGREED MINUTE

Following a request from the Community consultations were held with Brazil on behalf of one Community region - the Benelux, concerning imports of Category 26 originating in Brazil.

PRESENT

	<u>Title/Position</u>
<u>Brazil Delegation</u>	
Mr. Alves de SOUZA	Co-Chairman
Mr. Marques PORTO	Counsellor (Mission Brazil)
<u>Commission</u>	
Mr. M.G. BEVAN	Co-Chairman
Mr. A. LUCACCIONI	DG I-E-1
<u>Member States</u>	
<u>Holland</u>	
Mr. Wim KEIZER	Ministry of Economic Affairs
<u>Belgium</u>	
Mr. Dirk LAUREYSSENS	Ministry of Economy
François HUBERT	Ministry of External Commerce
<u>Italy</u>	
Manlio CONDEMI DE FELICE	Ministry of Foreign Affairs

1. The Community referred to the fact that imports of this category had reached 314,000 after the first 8 months of 1979 - a figure almost six times the exit level specified in Article 6 of the Bilateral Agreement. In the period June to August 1979, recorded imports had in fact trebled and the request for consultations made on November 14 1979 had requested a suspension of exports.
2. Brazil made two procedural objections :
 - (i) as stated in Notes No. 7 of 24 April 1979 and No. 27 of 4 December 1979, Brazil considered that the late delivery of

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import statistics provided for in Article 6 paragraph 10 of the Bilateral vitiated the operation of Article 6, and

- (ii) that the Community had not stated an economic case showing that Brazilian exports created market disruption in the Benelux, and consequently was in breach of the provisions of Article 12 of the Bilateral.
3. The Community confirmed its opinion that, as expressed in Nos. No. 4252 of 21 May 1979 and No. 10393 of 13 December 1979, Article 6 was in full operation for the purpose of these consultations and that the statement of import figures contained in Note No. 9500 of 14 November satisfied the requirements of Article 12.
4. Nevertheless in a spirit of cooperation Brazil agreed ad referendum to limit exports to the Benelux of Category 26 as follows :-

<u>1980</u>	<u>1981</u>	<u>1982</u>
365,000	383,000	402,000

5. The heads of delegation agreed ad referendum that double-checking, and other provisions of the bilateral relevant to products subject to quota, would apply to trade in this product with effect from 1 January 1980.


ALVES DE SOUZA
Head of Delegation,
Federal Republic of Brazil


M.G. BEVAN
Head of Delegation,
European Economic
Community

Brussels, 19 December 1979

BASKET EXIT LIMITATION

Category : 26 (dresses)

Countries : Brazil - Benelux

- | | |
|---|----------------------|
| a) Date when new limit was agreed | - 19 December 1979 |
| b) Basket Exit level (1.5 % of previous year's total imports in category under consideration) | -
- 19,000 pieces |
| c) Level agreed | - 365,000 pieces |
| d) First year of application of new limit | - 1980. |
| e) Annual growth | - 5% |
| f) Date when consultation was requested | - 14 November 1979 |
| g) Recorded imports at date of request for consultation | - 314,000 pieces |
| h) Period covered by g) | - 1/1/79 - 31/8/79 |
| i) Imports during calendar year preceding year during which consultation was requested | - 10,000 pieces |