

GENERAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL

TEX.SB/557
22 July 1980

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral Agreement between Sweden and India

Note by the Chairman

The attached communication received from the delegation of Sweden concerns the conclusion of a new bilateral agreement between Sweden and India.¹

¹For previous agreement see COM.TEX/SB/371.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral entre la Suède et l'Inde

Note du Président

La délégation de la Suède a fait parvenir au secrétariat la communication ci-jointe relative à la conclusion d'un nouvel accord bilatéral entre la Suède et l'Inde.¹

¹Pour l'accord précédent, voir le document COM.TEX/SB/371.

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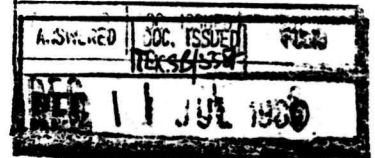
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OFFICE OF DG				X
Cabinet of DG.				
Ext. Rel/Info. Div.				
Inter-Agency Aff.				
Training Prog.				
OPER. DEPT. A				
Development Div.				
Non-Tar. M. Div.				
Tech. Coop. Div.				
Special Projects				
OPER. DEPT. B				
Agriculture Div.				
Statistics Div.				
Tariff Div.				
Tech. Bar. T. Div.				
CHAIRMAN TSS				
DEPT. CONF. AFFAIRS				
Conference Div.				

Handwritten signature/initials

Geneva, July 8, 1980

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

1211 GENEVE 21



Dear Mr. Ambassador,

I am notifying to the Textiles Surveillance Body a new agreement concerning trade in textiles between India 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 India 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 April 28, 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.

This agreement is based on a categorization into the following groups, comprising the most sensitive textile products within CCCN(BTN) chapters 60-62:

- I Stockings, understockings, socks, ankle socks, sockettes and the like, knitted or crocheted, other than ladies' stockings of continuous synthetic fibres
- II Shirts
- III Night garments

- IV Underwear, knitted or crocheted, other than shirts, night garments and tights
- V Sweaters, pullovers, slipovers, jumpers and cardigans etc, knitted or crocheted
- VI Overcoats and jackets
- VII Suits, lounge coats and blazers
- VIII Trousers other than shorts
- IX Costumes, dresses and skirts
- X Blouses
- XI Clothing included in Commodity List No. 28, other than elsewhere specified

(Note: Commodity List 28 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
- XV Curtains and other furnishing articles
- XVI Table linen

In this agreement with India separate restraint levels have been established for the above groups II, IV, V, IX, X, XV, XVI, XIII, whereas the remaining items 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 CCCN 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. A further decrease of domestic production has taken place. As in previous years, a number of factories have had to close down. 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,

A handwritten signature in cursive script, appearing to read "Hans V. Ewerlöf". The signature is written in dark ink and is positioned above the typed name.

Hans V. Ewerlöf
Permanent Representative

Annexes

As stated

SWEDISH BOARD OF COMMERCE
1979-09-12

Annex I
(This is not
a part of
the agreement)

Garments and made up textile articles included in Commodity list No 28

SWEDISH CCC No	Description
60.03.003-109, 902-909	Stockings, under stockings, socks, ankle-socks, sockettes and the like <u>other than</u> ladies' stockings of continuous synthetic fibres, knitted or crocheted not elastic nor rubberised
60.04.all	Under garments, knitted or crocheted, not elastic nor rubberised
60.05.all	Outer garments and other articles, knitted or crocheted, not elastic nor rubberised
61.01.all	Men's and boys' outer garments
61.02.all	Women's, girls' and infants' outer garments
61.03.all	Men's and boys' under garments
61.04.all	Women's, girls' and infants' under garments
61.09.102-209	Corsets, corset-belts, suspenders, garters and brassières (including such articles of knitted or crocheted fabric)
62.01.all	Travelling rugs and blankets
62.02.all	Bed linen, table linen, toilet linen and kitchen linen; curtains and other furnishing articles
62.04.210-290	Sails

AGREEMENT BETWEEN INDIA AND SWEDEN REGARDING EXPORTS OF CERTAIN
TEXTILE PRODUCTS FROM INDIA TO SWEDEN

Article 1

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

Article 2

This Agreement shall apply to India's exports to Sweden of the textile products of cotton, wool, man-made fibres or blends thereof which are listed in Annex I and which have been classified in groups I to XVI. The description and identification of the groups of products covered by this Agreement are based on Customs Cooperation Council Nomenclature and the Swedish Tariff Nomenclature as prevailing on 1st January 1978. The Agreement shall apply for a period of eighteen months with effect from July 1, 1979.

Article 3

The Government of India will limit exports, through a system of export certificates, from India to Sweden of the textile products listed in Annex 1 to this Agreement to the levels set out in that Annex. The date of issue of shipping documents is considered to be the date of exportation.

Article 4

The Government of Sweden will admit imports of the textile products of Indian origin, listed in Annex 1, provided that the consignments concerned are covered by Export Certificates, as per specimen in Annex II. Such a document shall be issued by the competent authorities designated by the Government of India, whose names will be communicated to the Government of Sweden. The certificates shall be consecutively numbered and bear an endorsement that the consignments concerned have been approved and debited to the agreed levels for exports to Sweden for the relevant period.

Article 5

(a) If in the period 1 March, 1978 to 30 June, 1979 exports from India to Sweden of the groups IV, V, IX and the "rest-group" in the Agreement of 14 April, 1978 are less than 16/12 of the levels specified in Annex I thereto and if in the period 1 July, 1978 to 30 June, 1979 exports from India to Sweden of the groups II, X and XIII in the Agreement of 14 April, 1978 are less than the levels specified in Annex I thereto, the Government of India may, after prior information to the Government of Sweden, during the period 1 July, 1979 to 31 December, 1979 approve the exports of additional amounts equivalent to such shortfalls provided that such exports -

- (i) are in the same Group where the shortfalls occurred;
- (ii) do not exceed 5 per cent of the levels specified in the Agreement of 14 April, 1978.

(b) If in the period 1 July, 1979 to 31 December, 1979 exports from India to Sweden are less than the levels specified in column (e) of Annex I hereof, the Government of India may, after prior information to the Government of Sweden, for the period 1 January, 1980 to 31 December, 1980 approve the export of additional amounts equivalent to such shortfalls provided that such exports -

(i) are in the same groups where the shortfalls occurred;

(ii) do not exceed 5 per cent of the levels specified in column (e) of Annex I hereof.

(c) During the period 1 July, 1979 to 31 December, 1979 the Government of India, after prior information to the Government of Sweden, may approve exports of amounts in excess of the levels specified in column (e) of Annex I hereof up to 2.5 per cent of those levels (carry forward). Where a level is increased by carry forward the Government of India shall inform the Government of Sweden of the carry forward quantities and debit these to the corresponding level for the period 1 January, 1980 to 31 December, 1980 specified in column (f) of Annex I hereof.

Article 6

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, subject to the provisions of Article 5, the

said authorities may refuse to admit any quantity in excess of the quantitative limit. In this event the Swedish authorities shall inform the authorities of India as soon as possible.

Article 7.

Both parties agree that exports to Sweden of the textile products listed in Annex I should be 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 India undertakes to provide a procedure to achieve this.

Article 8

The Government of India will forward to the Government of Sweden, via the Embassy of Sweden in New Delhi, monthly statistics on a cumulative basis of the number or quantities as the case may be, of the groups II, IV, V, IX, X, XIII, XV, XVI 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.

Article 9

The Government of India and the Government of Sweden agree to consult each other, at the request of either, when any unforeseen problem arises from the implementation of this Agreement. The Government of India 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 10

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

Article 11

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

Done in New Delhi on October 23, 1979

For the Government of
Sweden

For the Government of
India



Mr. B. J. Das
Joint Secretary
Ministry of Commerce

Exports of certain textiles from India to Sweden

Group Swedish Tariff Classification		Description	Unit	Level for period	
No.	No.			1.7.79-31.12.79	1.1.80-31.12.80
(a)	(b)	(c)	(d)	(e)	(f)
II	60.04.102-106 61.03.102-106 ex 109	Men's and boys' shirts, of cotton, wool or man-made fibres	Piece	357 000	728 000
IV	60.04.702-706 802-806 902-906	Knitted underwear, of cotton, wool or man-made fibres, <u>other than</u> shirts, nightwear and tights (including underwear T-shirts)	Piece	81 000	164 000
V	60.05.302-306	Knitted sweaters, pullovers, slipovers, jumpers and cardigans etc (including outerwear T-shirts), of cotton, wool or man-made fibres	Piece	555 000	1 127 000
IX	60.05.602-606 61.02 ex 008 202-206 302-306 402-406 ex 992-996	Costumes, dresses and skirts, of cotton, wool or man-made fibres	Piece	265 000	538 000
X	60.05 ex 803-804 822, 825, 826 61.02. ex 008 502-503 505-506 ex 509 ex 992-996	Women's, girls' and infants' blouses, of cotton, wool or man-made fibres	Piece	459 000	936 000

(A 30 1 80) I 101111

(a)

(b)

(d)

(e)

(r)

XIII	62.02.110 ex 190 ex 792-3	Bed linen ^x , of cotton, wool or man-made fibres	Kilogram	289 000 (In addition, and on an ad hoc basis another 51 500 kilograms of bed linen may be exported by India during this period)	585 000 (In addition, and on an ad hoc basis another 103 000 kilograms of bed linen may be exported by India during this period)
XV	62.02.710, ex 792-3 ex 799	Curtains and other furnishing articles, not knitted or cro- cheted, of cotton, wool or man- made fibres	Kilo- gram	52 500	107 000
XVI	62.02.210, ex 299 ex 792-3	Table linen, of cotton, wool or man-made fibres	Kilo- gram	34 500	70 000

Rest groupI, III, VI-VIII
XI-XII, XIV60.03.003
102-6, ex 109
902-6, ex 909Stockings, understockings, socks,
ankle socks, sockettes and the
like, knitted or crocheted, of
cotton, wool or man-made fibres
other than ladies stockings
of continuous synthetic fibres60.04.212-216
252-256
602-606Nightwear, panty hose and
tights, knitted or crocheted,
of cotton, wool or man-made
fibres

x/ The denomination "bed linen" refers to bedsheets, pillow cases, pillow slips,
bolsters or eiderdown cases, mattress covers, quilt or blanket covers.

(s. 10 (a) I 1957)

(restgroup continued)

60.05.102, 105, 202 205, 802, 806 ex 803-4, 812 ex 809, ex 892 ex 895-6	Outerwear, knitted or crocheted, of cotton, wool or man-made fibres, <u>other than sweaters</u> , pullovers, slipovers etc (group V), costumes, dresses and skirts (ex group IX) and blouses (ex group X))	Kilo- gram	70 000	143 000
61.01.003, ex 008 104, ex 109 304-306, 414- 416, 454-456 504-506, 705- 706, ex 709 904-906	Men's and boys' woven outer garments, of cotton, wool or man- made fibres)			
61.02 ex 002, 112- 116, 152-156 602-606, 802- 806, 902-906 ex 992-996	Women's, girls' and infants' woven outer garments, of cotton, wool or man-made fibres, <u>other</u> <u>than</u> costumes, dresses and skirts (ex group IX) and blou- ses (ex group X))			
61.03.202-206 ex 209	Men's and boys' woven nightwear, of cotton, wool or man-made fibres)			
61.04.102-106 ex 109	Women's, girls' and infants' woven nightwear, of cotton, wool or man-made fibres)			
62.01. ex 101-400 500, 600 ex 900	Travelling rugs and blankets, of cotton, wool or man-made fibres)			
62.02.311, 319 ex 399 ex 792-3	Towels and similar articles, of cotton, wool or man-made fibres)			

ANNEX II

EXPORT CERTIFICATE

Certificate No. SW/..... Valid for shipment to Sweden upto

M/s
(name and address of the exporter in India)

are hereby authorised to export
(quantities and description of goods)

details of which are given below, to M/s
(name and address of importer in Sweden)

vide Shipping Bill No. dated

Issued at on

.....
Signature of the Authorising
Officer