

GÉNÉRAL AGREEMENT
ON TARIFFS AND
TRADE

ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE

CONFIDENTIAL
TEX.SB/558
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 the Philippines

Note by the Chairman

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

¹For previous agreement see COM.TEX/SB/376.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral entre la Suède et les Philippines

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 les Philippines.¹

¹Pour l'accord précédent, voir le document COM.TEX/SB/376.

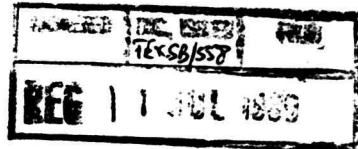
Geneva, July 8, 1980

For	Action	Completed	By
OFFICE OF DG			
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.			
R/Statistics Div.			
TECH. DIV.			
Tech. Inf. T. Div.			
CHAIRMAN TSS			
DEPT. CONF. AFFAIRS			
Conference Div.			

Handwritten signature/initials

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 the Philippines 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 the Philippines 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.

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
- XVII Brassieres
- XIX Curtains and other furnishing articles

In this agreement with the Philippines separate restraint levels have been established for the above groups II, IV-VI, VIII, X and XI b, 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,



Hans V. Ewerlöf
Permanent Representative

Annexes

As stated

Annex I

SWEDISH BOARD OF COMMERCE
1979-09-12

(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 ladies' stockings</u> 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 THE GOVERNMENT OF SWEDEN AND THE
GOVERNMENT OF THE PHILIPPINES REGARDING EXPORTS OF
CERTAIN TEXTILE PRODUCTS FROM THE PHILIPPINES TO
SWEDEN

ARTICLE 1

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

ARTICLE 2

This Agreement shall apply for the period November 1, 1979 -
October 31, 1980.

ARTICLE 3

The Government of the Philippines will limit exports from
the Philippines to Sweden of the textile products listed
in Annex I to the levels set out in that Annex. The date
of actual shipment from the Philippines as evidenced by
the bill of lading shall be considered to be the date of
exportation.

ARTICLE 4

- (a) This Agreement shall apply to exports from the Philippines
to Sweden of only the textile products described in Annex I

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hereof of cotton, wool or man-made fibres, or blend thereof, in which any or all of those fibres in combination represent either the chief value of the fibres or 50 per cent or more by weight (or 17 per cent or more by weight of wool).

- (b) This Agreement shall also apply to the products described in Annex I hereof, which are manufactured from impregnated fabrics as defined in Annex II of this Agreement.

ARTICLE 5

The Government of Sweden will admit imports of the textile products of Philippine origin, listed in Annex I, only when such imports are covered by Special Export Licences as per specimen in Annex III. Such a document shall be issued by the Garments and Textile Export Board, be consecutively numbered and bear an endorsement that the consignments concerned have been approved and debited to the agreed group levels set out in Annex I to this Agreement.

ARTICLE 6

If in the period August 1, 1978 to October 31, 1979 the group levels specified in column (e) of Annex I to the Agreement of July 20, 1978, as adjusted to annual levels, are not fully utilized the Government of the Philippines may,

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after consultation with the Government of Sweden, during the period November 1, 1979 to October 31, 1980 approve the export of additional amounts (carryover) 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 of these groups, as adjusted to annual levels, specified in the Agreement of July 20, 1978.

ARTICLE 7

If the information available to the Swedish authorities shows that the limit for the category of products specified in a Special Export Licence has already been reached or the unused portion of that limit is insufficient to cover the goods specified in the said licence, the said authorities may refuse to admit any quantity in excess of the limit. In this event the Swedish Government shall promptly inform the Government of the Philippines. Both parties agree to consult each other within a reasonable period of time thereafter, with a view to obtaining a satisfactory solution within thirty (30) days.

ARTICLE 8

Both parties regard it as essential that exports from the

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Philippines to Sweden of the textile products listed in Annex I are spaced as evenly as possible, with due regard to normal seasonal factors, during the period of this Agreement and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Government of the Philippines undertakes to achieve this.

ARTICLE 9

The Government of the Philippines will forward to the Government of Sweden monthly statistics on a cumulative basis of the quantities/weight of textile products under restraint listed in Annex I, for which duly endorsed Special Export Licences for exports to Sweden have been issued for the relevant period of agreement. The statistics shall reach the Embassy of Sweden in Manila within a period of two months from the month under reference.

The Government of Sweden will forward to the Government of the Philippines monthly statistics on a cumulative basis of imports from the Philippines of textile products under restraint as listed in Annex I. The statistics shall be forwarded to the Government of the Philippines; via the Embassy of Sweden in Manila, as soon as possible.

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ARTICLE 10

The Government of Sweden and the Government of the Philippines 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 the Philippines agree furthermore to enter into consultations before October 31, 1980, on the conditions of a new Agreement. 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 limits not lower than those specified in Annex I to this Agreement.

ARTICLE 11

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

ARTICLE 12

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

Done in Manila on May 27, 1980.

For the Government of
Sweden



BO KALFORS
Charge d' Affaires

For the Government of
the Philippines



LUIS R. VILLAFUERTE
Minister of Trade

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ANNEX I

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(a) Group	(b) Ex. Swedish Tariff Classification No	(c) Description	(d) Unit	(e) Level for period 1.11.79 to 31.10.80
	60.04.10- 61.03.10-	Shirts, knitted or woven, men's, boys' and infants' wear	Pieces	252.500
	60.04.70-, 80-, 90-	Knitted underwear, <u>other than</u> shirts, nightwear and tights (including underwear T-shirts)	Pieces	222,200 (whereof T-shirts not to exceed 80,800 pcs., other items not to exceed 141,400 pcs.)
	60.05.30-	Knitted sweaters, pullovers, slipovers, jumpers and cardigans etc (including outerwear T-shirts)		
	60.05.803-4 809 812, 892, 895-896	Overcoats and jackets, knitted or woven	Pieces	65,650
	61.01.003, 008 10-, 45-			
	61.02.008 11-, 15-, 99-			

ANNEX I (Cont.)

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Group	a) Ex. Swedish Tariff Classification No	(b) Description	(c) Unit	(d) Level for period 1111.79 to 31.10.80
II	60.05.802 803-4 806, 809, 895 61.01.003, 008 50- 61.02.008 60-, 99-	Trousers, men's, boys', women's, girls' and infants' wear, knitted or woven, <u>other than shorts</u>	Pieces	75,750
	60.05.803-4 809 822, 825, 826 61.02.008- 50-, 99-	Blouses, knitted or woven, women's, girl's and infants' wear	Pieces	505.000
b	60.05.20-, 803-4 809, 896 61.01.003, 008, 90-, 61.02.008, 90-, 99-	Bathing suits and trunks	Pieces	110.000

ANNEX I (Cont.)

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(a)	(b)	(c)	(d)	(e)
Group	Ex. Swedish Tariff Classification No	Description	Unit	Level for period 1.11.79 to 31.10.80
<u>estgroup</u>	60.03.003, 10-, 90-	Knitted stockings, understockings, socks, ankle socks, sockettes and the like, <u>other than ladies'</u> stockings of continuous synthetic fibres		34
, III, VII X, ex XI, II-XIV, XVII,	60.04.21-, 25-, 60-	Knitted nightwear and tights		
IX b	60.05.10-, 60- 803, 804 809, 812 89-, 90-	Knitted outerwear, <u>other than</u> sweaters, pullovers, slipovers, jumpers, cardigans etc (group V), Metric overcoats and jackets (group VI), tons trousers other than shorts (group VIII), blouses (group X) and bathing suits and trunks (ex group XI), Curtains and other furnishing articles, knitted or crocheted		
	61.01.003, 008 30-, 41-, 70-, 90	Men's and boys' woven outer garments <u>other than</u> overcoats and jackets (group VI), trousers other than shorts (group VIII) and bathing suits and trunks (ex group XI),		

ANNEX I (Cont.)

(a) Group	(b) Ex. Swedish Tariff Classification No	(c) Description	(d) Unit	(e) Level for period 1.11.79 to 31.10.80
	61.02.008 20-, 30-, 40-, 80- 90-, 99-	Women's, girls' and infants' woven outer garments <u>other than overcoats</u> and jackets (group VI), trousers other than shorts (group VIII), blouses (group X) and bathing suits and trunks (ex group XI)		
	61.03.20- 61.04.10-	Men's and boys', women's, girls' and infants' nightwear, not knitted or crocheted		
	61.09.20-	Brassieres (including brassieres of knitted or crocheted fabric)		
	62.01.all	Travelling rugs and blankets		
	62.02.11-, 19-, 31-39-, 71-, 792-3,798-9	Bed linen, towels and similar articles; curtains and other furnishing articles not knitted or crocheted		

Definition of "Impregnated Fabrics"
for the purpose of Article 4

1. Fabrics of cotton, wool or man-made fibres or any blend containing one or more of those fibres in which either wool represents 17 per cent or more by weight or any or all of those fibres in combination represent 50 per cent or more by weight of the unfinished fabric shall be defined as "impregnated fabrics" where those fabrics have been impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials whatever the nature of the plastic material (compact, foam, sponge or expanded).

2. The definition does not cover -
 - (a) Fabrics which, after impregnation, coating, covering or lamination, cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm at a temperature between 15° C and 30° C.

 - (b) Fabrics either completely embedded in artificial plastic material or coated or covered on both sides with such material.

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Republic of the Philippines
Office of the President
GARMENTS AND TEXTILE EXPORT BOARD
Makati, Metro Manila

SPECIAL EXPORT LICENSE

SERIAL NO. SW _____

I. This Section To Be Filled In Every Shipment:

Name and Address of Importer: _____
 Name and Address of Exporter: _____
 Name of Carrier: _____
 Date of Shipment: _____
 Destination: _____

II. This Section To Be Filled In Every Shipment:

(1)	(2)	(3)	(4)	(5)	(6)
Units and Numbers on Shipping Packages	Quantity (Number of Pieces)	Group Number	Full Description of Goods	Unit Price (US Dollar)	Total Invoice Dollar Value (FOB)

III. Declaration

I declare that the merchandise described in this license is shipped,
 and agreed to be sold and that all the information contained herein
 is true and correct.

Print and Sign Name of Seller

Date Signed

IV. Certification

This is to certify that the merchandise described in this license has
 been authorized for export to Sweden and that the quantity/value has been
 certified against the applicable level(s) of restraint set out in Annex I of
 the Agreement between the Philippines and Sweden for the period:
 November 1, 1979 - October 31, 1980

Certified by:

Print Name and Designation

Date Certified

This license shall be valid only upon certification by the appropriate
 Officer of the Garments and Textile Export Board. It must be
 accomplished in four (4) copies.

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