# GENERAL AGREEMENT ON TARIFFS AND TRADE

# ACCORD GENERAL SUR LES TARIFS DOUANIERS ET LE COMMERCE

CONFIDENTIAL TEX.SB/560 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 Yugoslavia

Note by the Chairman

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

1 For previous agreement see COM.TEX/SB/424.

# ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord bilatéral entre la Suède et la Yougoslavie

### 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 la Yougoslavie. L

<sup>&</sup>lt;sup>1</sup>Pour l'accord précédent, voir le document COM.TEX/SB/424.

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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 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), acceeded 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

In this agreement with Yugoslavia separate restraint levels have been established for the above groups I, II, V-IX, XIII, XIV, 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

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 other than ladies' stocking of continuous synthetic fibres, knitted or crochet 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 61.02.all 61.03.all 61.04.all 61.09.102-209	Men's and boys' outer garments Women's, girls' and infants' outer garments Men's and boys' under garments Women's, girls' and infants' under garments Corsets, corset-belts, suspenders, garters and brassières (including such articles of knitted or crocheted fabric)
62.01.all 62.02.all 62.04.210-290	Paravelling rugs and blankets  Bed linen, table linen, toilet linen and kitchen  linen; curtains and other furnishing articles  Sails

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 for the period specified in Annex I.

## Article 3

The Government of Yugoslavia will limit exports from Yugoslavia to Sweden of the textile products listed in Annex I to the aggregate level of 1.295.575 kilogrammes and to the specific group levels set out therein, subject to the provisions of Article 6 of this Agreement. The date of issue of Customs Declarations is considered to be the date of exportation.

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# Article 6

- (a) If in the period January 1 to December 31, 1979, the group levels specified in column (d) of Annex I to the Agreement of October 5, 1978, are not fully utilized the Government of Yugoslavia may, after consultation with the Government of Sweden, during the period January 1 to December 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 specified in column (d) of Annex I to the Agreement of October 5, 1978.
- (b) During the period January 1 to December 31, 1980, the Government of Yugoslavia may, after consultation with the Government of Sweden, approve the export of amounts in excess of the group levels specified in column (e) of Annex I to this Agreement up to 5 per cent of those levels (carry forward). Where the specific group levels are increased by carry forward the Government of Yugoslavia shall inform the Government of Sweden of the carry forward quantities and debit these to any corresponding group level that may be agreed for a subsequent restraint period.
- (c) During the period January 1 to December 31, 1980, the carryover and carry forward quantities taken together shall not exceed 5 per cent of the group level specified in column (e) of Annex I to this Agreement.

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The Government of Sweden will forward to the Government of Yugoslavia, via the Embassy of Sweden in Belgrade, quarterly statistics on a cumulative basis of licences issued for imports from Yugoslavia.

# Article 10

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 11

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 limits not lower than those specified in Annex I to this Agreement.

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(b)	(c)	(d)	(e)	. (f)
up Ex Swedish Tariff Classification No	Description	Unit	Level for period 1.1.1980 - 31.12.1980	Conversion factors per kg
REGATE	In respect of the following	Kgs	1 295 575	<b>4.</b>
***	in a manager to help it as a time			
60.03.003,10-,90-	Stockings, under stockings, socks, ankle socks, sockettes and the like, knitted or crocheted, other than ladies' stockings of continuous synthetic fibres	Pairs	230 000	24,3
60.04.10- 61.03.10-	Shirts	Pcs	291 500	4,6
60.05.30-	Sweaters, pullovers, slipovers, jumpers and cardigans etc, knitted or crocheted (including outerwear T-shirts)	Pcs	500 000	4,53
60.05.80-,81-,87-,89- 61.01.003-4,006,10-,45- 61.02.004,006,11-,15-,99	Overcoats and jackets	Pcs	240 000	0,9
60.05.80-,812,87-,89- 61.01.003,006,30-,41- 61.02.006,902-906,909,99	Suits, lounge coats and blazers	Pcs	254 400	0,8
1 60.05.80-,83- 61.01.003,005,50- 61.02.005,60-,99-	Trousers, other than shorts	Pcs	245 000	1,76
60.05.60- 61.02.006,20-,30-,40-,99	Costumes, dresses and skirts	Pcs	286 200	2,85
62.02.11-,19-,792-793	Bed 1inen	Kgs	95 000	1,0
62.02.31-,39-,792-793	Towels and similar articles	Kgs	80 000	1,0

(a)	(b)	(c)	(q)		(e)	•	(f)
Group No	Ex Swedish Tariff Classification No	Description	Unit		Level for period 1.1.1980 - 31.12.1980	1	Conversion i factors per kg
Restgr	roup /,X-X						
	60.04.21-,25-,60 <sub>7</sub> ,70-, 80-,90-	Under garments, knitted or crocheted, other than shirts (ex 11)	}				
	60.05.10-,20-,80-,82-, 87-,89-	Outer garments, knitted or crocheted, other than sweaters, pullovers, slipovers, jumpers, cardigans etc (V), overcoats and jackets (ex VI), suits, lounge coats and blazers (ex VII), trousers other than shorts (ex VIII), costumes, dresses and skirts (ex IX)	) ) ) ) )				
	61.01.003,006,70-,90	Men's and boys' woven outer garments, other than overcoats and jackets (ex VI), suits, lounge coats and blazers (ex VII), trousers other than shorts (VIII)	Kgs	20 A	161 000		1,0
	61.02.006,50-,80-,90-,	Women's, girls' and infants' woven outer garments, other than overcoats and jackets (ex VI), suits, lounge coats and blazers (ex VII), trousers other than shorts (ex VIII), costumes, dresses and skirts (ex IX)	} .				
	61.03.20- 61.04.10	Night garments, not knifted or crocheted	}			•	
	62,Q1,a11	Travelling rugs and blankets	}				

Definition of "Impregnated Fabrics" for the purposes 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).
- The definition does not cover -
- (a) Fabrics which, after impregnation, coating, covering or laminating, cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm at at 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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