

**GENERAL AGREEMENT
ON TARIFFS AND
TRADE**

**ACCORD GENERAL SUR
LES TARIFS DOUANIERS
ET LE COMMERCE**

CONFIDENTIAL

TEX.SB/580

26 September 1980

Textiles Surveillance Body

Organe de surveillance des textiles

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Agreement between Sweden and Thailand

Note by the Chairman

The attached notification received from the Swedish mission concerns a new¹ agreement covering certain textile products concluded between Sweden and Thailand.¹ Also attached is the short reasoned statement.

¹For previous agreement see COM.TEX/SB/373.

ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4

Accord entre la Suède et la Thaïlande

Note du Président

On trouvera ci-joint une notification de la mission de la Suède relative à un nouvel accord concernant certains produits textiles conclu entre la Suède et la Thaïlande.¹ On trouvera également ci-joint un bref exposé des motifs de cet accord.

¹Pour l'accord précédent, voir le document COM.TEX/SB/373.

TS/140-4

PA-PP

355

SWEDISH DELEGATION

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

PT

Geneva, September 22, 1980

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

1211 GENEVE 21

ANSWERED FILED
 REC 58/84
 REG 2 SEP 1980

Dear Mr. Ambassador,

I am notifying to the Textiles Surveillance Body a protocol extending the validity of the 1978 Agreement concerning trade in textiles between Thailand and Sweden.

This extension has been agreed upon for the purpose of eliminating real risks of market disruption in Sweden, while ensuring an orderly development of textile exports from Thailand 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 protocol, 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:

(lx 6003)
 lx 6004,

- 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 protocol separate restraint levels have been established for the above groups II, V, VI, VIII, IX, X and 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,



Magnus Lemmel
Counsellor

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 <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



THAILAND

Ministry of Foreign Affairs,
Saranrom Palace,
Bangkok.

September, B.E. 2522 (1979)

FULL POWERS

I, the Undersigned, ARUN PANUPONG, Deputy Minister of Foreign Affairs Acting Minister of Foreign Affairs of Thailand, do hereby state that VITTHYA VEJAJIVA, Director-General of Economic Department, Ministry of Foreign Affairs, is authorized and empowered to sign, on behalf of the Government of the Kingdom of Thailand, the Supplementary Protocol to the Agreement between the Government of the Kingdom of Thailand and the Government of the Kingdom of Sweden regarding exports of certain textile products from Thailand to Sweden, initialled by respective representatives of both Governments on 27th June, 1979 at Bangkok, Thailand.

(Arun Panupong)

Deputy Minister of Foreign Affairs
Acting Minister of Foreign Affairs of Thailand

SUPPLEMENTARY PROTOCOL TO THE AGREEMENT BETWEEN THE
GOVERNMENT OF THE KINGDOM OF SWEDEN AND THE GOVERNMENT
OF THE KINGDOM OF THAILAND REGARDING EXPORTS OF CERTAIN
TEXTILE PRODUCTS FROM THAILAND TO SWEDEN

The Government of the Kingdom of Sweden and the Government
of the Kingdom of Thailand,

Desiring to extend the validity of the Agreement between
the Government of the Kingdom of Sweden and the Government
of the Kingdom of Thailand regarding Exports of Certain
Textile Products from Thailand to Sweden signed in Bangkok
on 23 August 1978 (hereinafter referred to as the 1978
Agreement) until 30 June, 1981,

Have agreed as follows:

Article 1

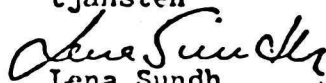
The Annex I of the 1978 Agreement shall be replaced by
Annex III attached to this Protocol.

Article 2

The provision of Article 3 of the 1978 Agreement shall be
amended to read as follows:

"The Government of the Kingdom of Thailand will limit exports
from Thailand to Sweden of the textile products listed in
Annex I to the levels set out in that Annex. The date of
issue of shipping documents is considered to be the date of
exportation."

Att ovanstående är med originalet likalydande betygar i
tjänsten



Lena Sundh
Förste ambassadsekreterare

Article 3

The provision of Article 8 of the 1978 Agreement shall be amended to read as follows:

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

Article 4

The provision of Article 9 of the 1978 Agreement shall be deleted.

Article 5

a. If in the agreement periods ending 30 June 1979 exports from Thailand to Sweden of the products covered by the Agreement of 23 August 1978 are less than the corresponding levels specified in column (f) of the Annex thereto, the Government of the Kingdom of Thailand may, after consultations with the Government of the Kingdom of Sweden, during the period 1 July 1979 to 30 June 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 III hereto.

b. If in the period 1 July 1979 to 30 June 1980 exports from Thailand to Sweden of the products covered by the Annex III hereto are less than the corresponding levels specified in column (e) of that Annex, the Government of the Kingdom of Thailand may, after consultations with the Government of the Kingdom of Sweden, for the period 1 July 1980 to 30 June 1981 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 III hereto.

c. During the period 1 July 1979 to 30 June 1980 the Government of the Kingdom of Thailand, after consultations with the Government of the Kingdom of Sweden, may approve the exports of amounts in excess of the levels specified in column (e) of Annex III hereto up to 2.5 per cent of those levels (carry forward). Where the levels are increased by carry forward the Government of the Kingdom of Thailand shall inform the Government of the Kingdom of Sweden of the carry forward quantities and debit these to the corresponding levels for the period 1 July 1980 to 30 June 1981 set out in column (f) of Annex III hereto.

Article 6

In the Article 6 of the 1978 Agreement, the word "value" in its fifth line shall be replaced by the word "weight".

Article 7

The Annex III to this Protocol shall be considered as an integral part of it.

Article 8

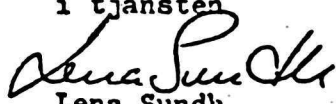
The Government of the Kingdom of Sweden or the Government of the Kingdom of Thailand may terminate this Protocol with effect from 1 July 1980. Such termination shall be notified not later than 3 months before the expiry of the first year. There shall be mutual consultations before such notification.

Done in Bangkok on

For the Government of the
Kingdom of Sweden

For the Government of the
Kingdom of Thailand

Att ovanstående är med originalet likalydande betygat
i tjänsten



Lena Sundh
Förste ambassadsekreterare

Annex III

- (a) These arrangements apply to exports from Thailand to Sweden of the textile products described in this Annex 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) Notwithstanding these provisions the arrangements shall also apply to the products described in this Annex, which are manufactured from impregnated fabrics as defined in (c).
- (c) 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 :
- Fabrics which, after impregnation, coating, covering or laminating, cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm at a temperature between 15° C. and 30° C. Fabrics either completely embedded in artificial plastic material or coated or covered on both sides with such material.

EXPORTS OF CERTAIN TEXTILES FROM THAILAND TO SWEDEN

Group No (a)	Ex Swedish Statistical Number (b)	Description (c)	Unit (d)	Limit for period 1.7.79-30.6.80 (e)	Limit for period 1.7.80-30.6.81 (f)
II	60.04.10- 61.03.10-	Shirts	Piece	734,000	738,000
V	60.05.30-	Sweaters, pullovers, slipovers, jumpers, cardigans etc., knitted or crocheted (including outerwear T-shirts)	Piece	655,000	655,000
VI	60.05.803-4,809,812,89- 61.01.003,008,10-,45- 61.02.008.11-,15-,99-	Overcoats and jackets	Piece	141,000	141,000
VIII	60.05.80-,895 61.01.003,008,50- 61.02.008,60-,99-	Trousers, <u>other than shorts</u>	Piece	482,000	484,000
IX	60.05.60- 61.02.008,20-,30-,40,99-	Costumes, dresses and skirts	Piece	91,000	91,000
X	60.05.803-4,809,82- 61.02.008,50-,99-	Blouses	Piece	275,000	276,000
XIV	62.02.31-,39-,792-3	Towels and similar articles	Kilogram	96,000	97,000

Group No (a)	Ex Swedish Statistical Number (b)	Description (c)	Unit (d)	Limit for period 1.7.79-30.6.80 (e)	Limit for period 1.7.80-30.6.81 (f)
Rest group I, III IV, VII, XI-XIII	60.03.003-109 902-909	Stockings, understockings, ankle socks, sockettes and the like, knitted or crocheted, <u>other than</u> ladies' stockings of continuous synthetic fibres			
	60.04.21-, 25-, 60- 70-, 80-, 90-	Knitted or crocheted underwear other than shirts (ex group II) (including underwear T-shirts)			
	60.05, 10-, 20-, 803-4 809, 8112, 89-	Outer garments, knitted or crocheted, <u>other than</u> sweaters, pullovers etc (group V), overcoats and jackets (ex group VI), trousers other than shorts (ex group VIII), costumes, dresses and skirts (ex group IX) and blouses (ex group X).	Kilogram	84,000	84,000
	61.01.003, 008, 30-, 41-, 70-, 90-	Outer garments, not knitted or crocheted, men's and boys' wear, <u>other than</u> overcoats and jackets (ex group VI) and trousers other than shorts (ex group VIII)			

Group No (a)	Ex Swedish Statistical Number (b)	Description (c)	Unit (d)	Limit for period 1.7.79-30.6.80 (e)	Limit for period 1.7.80-30.6.81 (f)
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61.02.008,80-,90-, 99-	Outer garments, not knitted or crocheted, women's, girls' and infants' wear, <u>other than</u> overcoats and jackets (ex group VI), trousers other than shorts (ex group VIII), costumes, dresses and skirts (ex group IX) and blouses (ex group X)
61.03.20-	Night garments, not knitted or crocheted
61.04.10-	
62.01.101-900	Travelling rugs and blankets
62.02.11-,19-, 792-3	Bed linen