

**GENERAL AGREEMENT  
ON TARIFFS AND  
TRADE**

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

CONFIDENTIAL  
TEX.SB/597  
5 December 1980

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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 Indonesia

Note by the Chairman

The attached notification received from the Commission of the European Communities<sup>1/</sup> concerns an amendment to the existing Article 4 agreement with Indonesia. The amendment relates to new limits on exports from Indonesia with respect to category 6 to Benelux.

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<sup>1/</sup> For details of the existing agreement and previous amendments see COM.TEX/SB/419 and TEX.SB/563 and Add.1.

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ARRANGEMENT CONCERNANT LE COMMERCE INTERNATIONAL DES TEXTILES

Notification conformément à l'article 4, paragraphe 4

Modification de l'accord bilatéral entre  
la CEE et l'Indonésie

Note du Président

La Commission des Communautés européennes a fait parvenir au secrétariat la notification ci-jointe relative à une modification de l'accord<sup>1/</sup> conclu avec l'Indonésie au titre de l'article 4. Cette modification consiste à fixer de nouveaux plafonds aux exportations indonésiennes de produits de la catégorie 6 à destination du Benelux.

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<sup>1/</sup> Pour le texte de l'accord initial et les modifications précédentes, voir les documents COM.TEX/SB/419 et TEX.SB/563 et Add.1.

TS/140-4

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels JRB/gdh

21 November 1980

Directorate-General for External Relations

I-E-1

9388

Dear Mr Ambassador,

In connection with the European Economic Community's Agreement on trade in textile products with Indonesia negotiated under Article 4 of the Arrangement and signed on 4 September 1979, I have to inform you of the following :

During the course of 1980 imports of trousers (cat 6) from Indonesia into the Benelux region of the Community exceeded 36,000 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 the Exchange of Letters forming an integral part of the Agreement. The Community having deemed that there was real risk of market disruption in this case, the two sides consulted on 3 October 1980 in pursuance of Article 5 of the Agreement. As a result of these consultations, and in conformity with the provisions of the Agreement, Indonesia agreed to limit exports to the Benelux as follows :

Category	Unit	Member State	1979	1980	1981	1982
6	1000 p	BNL	-	150 <sup>(1)</sup>	700	730

The growth of 4 % in the quota in 1982 compared with 1981 is in accordance with the agreement signed between the parties and reflects the particularly difficult circumstances in the Community's market for trousers.

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 Indonesia.

(1) 1/10/80 - 31/12/80

Yours sincerely,

J.R. BECK

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

Administrative routing table with checkboxes and handwritten marks.

REG - 1 DEC 1980
TEWSB/297

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AGREED MINUTE

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1. Representatives of the Republic of Indonesia and of the European Economic Community met on 2 and 3 October 1980 in Brussels to hold consultations in accordance with Article 4 and 5 of the Agreement on trade in textiles between the Community and Indonesia signed on 4 September 1979.

2. As a result of these consultations Indonesia agreed to limit its exports of trousers (cat. 6, NIMEXE code 61.01 - 62 ; 64 ; 66 ; 72 ; 74 ; 76. 61.02 - 66 ; 68 ; 72.) to the Community's region of the Benelux countries to the following levels :

1980 period 1 October - 31 December : 150.000 pièces

1981 : 700.000 pièces

1982 : 730.000 pièces

3. It was further understood that the provisions of the double checking system established in the Annex of the Agreed Minute of 5 February 1980 (this Annex being completed and attached again to this Agreed Minute) shall apply to exports of trousers of Category 6 from Indonesia to the Benelux countries from 15 October 1980. It is also understood that exports falling under Cat. 6 shipped from Indonesia without export licences between 1 October and 15 October 1980 will be debited against the restraint level set for the remainder of 1980.

4. Imports into the Community of this product would not be subject to the quantitative limit, provided that they were declared to be for re-export outside the Community in the same state of after processing, under the administrative system of control set up for this purpose within the Community.

However, the release for home use of products imported under the conditions referred to above would be subject to the production of an export certificate issued by the Indonesian authorities, and to proof of origin in accordance with the provisions of Protocol A of the Bilateral Agreement.

Where the authorities in the Community found that imports of textile products had been set off against a quantitative limit, but that the products had subsequently been re-exported outside the Community, the authorities concerned would inform the Indonesian authorities within four weeks of the quantities involved and authorize imports of identical quantities of the same products, which would not be set off against the quantitative limit for the current or the following year.

5. a) Indonesia undertook to supply the Community with precise statistical information on all export certificates issued by the Indonesian authorities.
  - b) The Community would likewise transmit to the Indonesian authorities precise statistical information on import authorizations or documents issued by the Community authorities.
  - c) The information referred to above would be transmitted before the end of the second month following the quarter to which the statistics relate.
  - d) Should it be found on analysis of the information exchanged that there were significant discrepancies between the returns for exports and those for imports, consultations could be initiated in accordance with the procedure specified in Article 6 of the Bilateral Agreement.
6. In any year advance use of portion of the quantitative limit established for the following year was authorized up to 5 % of the quantitative limit for the current year.

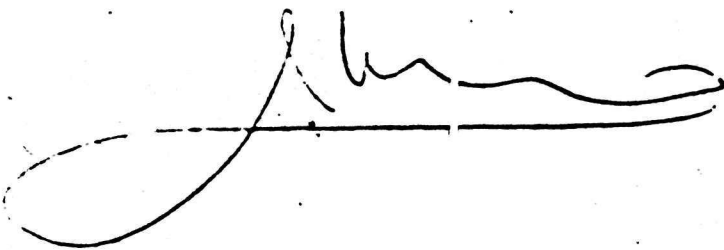
Amounts delivered in advance would be deducted from the corresponding quantitative limits established for the following year.

Carryover to the corresponding quantitative limit for the following year of amount not used during any year was authorized up to 5 % of the quantitative limit for the current year.

Prior notification would be given by the authorities of Indonesia in the event of recourse to these provisions.

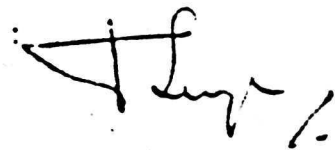
7. The provisions concerning Certificates of Origin contained in Articles 2 - 6 inclusive of Protocol A of the bilateral Agreement shall apply *mutatis mutandis* to Export Licences.

Brussels, 3 October 1980



Head of Delegation

Republic of Indonesia



Head of Delegation

European Economic Community

ANNEX T) AGREED MINUTE BETWEEN INDONESIA AND THE EUROPEAN  
ECONOMIC COMMUNITY DATED 3 OCTOBER 1980

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Double-Checking System

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Section I : Exportation

1. The competent authorities of Indonesia shall issue an export licence in respect of all consignments from Indonesia of the products subject to quantitative limit, up to the relevant quantitative limits as may be modified by the agreed minute.
2. The export licence shall conform to the model attached to this Annex. It must certify, inter alia, that the quantity of the product in question has been set off against the prescribed quantitative limit.
3. The competent Community authorities must be notified forthwith of the withdrawal or alteration of any export certificate already issued.
4. Exports shall be set off against the quantitative limits established for the year in which shipment of the goods has been effected, even if the export certificate is issued after such shipment.

Section II : Importation

5. Importation into the Community of products subject to quantitative limits shall be subject to the presentation of an import authorization or document.
6. The competent Community authorities shall issue such import authorization or document automatically within five working days of the presentation by the importer of a certified copy of the corresponding export certificate.  
The import authorization or document shall be valid for six months.

7. a) If the competent Community authorities find that the total quantities covered by export certificates issued by Indonesia in any year exceed the quantitative limit, the said authorities may suspend the further issue of import authorizations or documents. In this event, the competent Community authorities shall immediately inform the authorities of Indonesia and the consultation procedure, set out in Article 4 of the Agreement, shall be initiated forthwith.

b) Exports of Indonesian origin not covered by Indonesian licences issued in accordance with the provisions of this Annex may be refused the issue of import authorizations or documents by the competent Community authorities.

However, if the imports of such products are allowed into the Community by the competent Community authorities, the quantities involved shall not be set off against the appropriate limit without the express agreement of Indonesia.

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**BASKET EXIT LIMITATION**

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Category : 6

Countries : Indonesia

- |  |                                 |
|--|---------------------------------|
| a) Date when new limit was agreed  | 3 .10.1980                      |
| b) Basket Exit level (0.2% of previous year's total imports in category under consideration) | 36,000 pieces                   |
| c) Level agreed  | 1.10-31.12.1980: 150,000 pieces |
| d) First year of application of new limit  | 1981: 700,000 "                 |
| e) Annual growth   | 1982: 730,000 "                 |
| f) Date when consultation was requested  | 4%                              |
| g) Recorded imports at date of request for consultation                                      | 22.7.1980                       |
| h) Period covered by g)  | 318,000 pieces                  |
| i) Imports during calendar year preceding year during which consultation was requested       | 4 months 1980                   |
|  | 292,000 pieces                  |