GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/124

2 December 1975

Special Distribution

Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notification

Arrangement between Sweden and Portugal on behalf of Macao

The Textiles Surveillance Body has received from the Government of SWEDEN a notification of an agreement between Sweden and Portugal on behalf of Macao concerning trade in textiles. This agreement has been notified by Sweden under Article 4 of the Arrangement.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4^{1} , has examined the relevant documentation. The TSB is circulating the text of the agreement to participating countries in the Arrangement for their information.

¹ See COM. TEX/SB/35, Annex B.

Sir,

I have the honour to acknowledge receipt of your letter of today's date reading as follows:

"With reference to the consultations held in Lisbon during the period 16-19 June 1975, regarding a limitation of the export of certain textile products from the Portuguese Territory of Macao to Sweden, I have the honour to inform you that the following is the understanding of the Swedish Government:

- 1. This agreement has been reached under Article 4 of the Arrangement Regarding International Trade in Textiles, bearing in mind particularly the provisions of Article 1 of the said Arrangement.
- 2. The Portuguese Government has agreed to limit voluntarily exports from Macao to Sweden of the textile products listed in Annex I to this letter to the levels set out in column (c) of that Annex.
- 3. These arrangements will apply during the period 15 July 1975-14 July 1976 and replace the arrangements agreed upon in the exchange of letters of 29 June 1974.
- 4. The Swedish Government will allow imports of the textile goods of Macao origin listed in Annex I only when such imports are covered by a Certificate of Origin ("Certificado de Origem"; of Annex II), issued by the Repartição Provincial dos Serviços de Economia de Macau, with an endorsement that the consignments concerned have been debited to the agreed limit.
- 5. If in the period covered by the agreement expiring on 14 July 1975, exports from Macao to Sweden are less than the limit specified in column (c) of Annex I to the letters of 29 June 1974, Macao may export amounts equivalent to such shortfalls during the period covered by the present agreement provided that such exports do not exceed 5 per cent of the limit specified in the agreement of 1974.

Mr. S. Patek Chairman of the Swedish Delegation

Annex II not circulated.

- 6. If during the period of validity of this agreement unforeseen problems should arise in the textile sector, consultations may be requested by either side with a view to finding mutually satisfactory solutions.
- 7. This agreement is in principle concluded for a period of one year only. It is understood by the Portuguese side that conditions prevailing on the Swedish market with respect to the goods concerned or directly competitive products may necessitate its prolongation. Such a prolongation will provide for an increase of the restraint levels. It is likewise understood that a prolongation will be made the object of previous consultations.
- 8. The Portuguese Government will provide the Swedish Government with information on a monthly and cumulative basis of the quantities of the textile products listed in Annex I for which Certificates of Origin have been issued for exports to Sweden.
- 9. The Swedish Government will provide the Portuguese Government with statistics of imports from Macao for the textile products listed in Annex I on a monthly and cumulative basis.

I would appreciate your confirmation that the above is also the understanding of the Portuguese Government.

I avail myself of this opportunity, Sir, to renew the assurances of my highest consideration."

I have taken due note of its contents and I wish to inform you that the Portuguese Authorities are able to accept the understanding expressed in your letter of today.

I avail myself of this opportunity, Sir, to renew the assurances of my highest consideration.

(signed) João Eduardo Nunes de Oliveira Pequito Director-General for Economic Affairs

ANNEX I

(Referred to in Paragraph 2 of the Letter of 19 June 1975)

Unit of quantity: '000 pieces

Swedish tariff classification No. (a)	Description (b)	Limit (c)
I. 60.04.70-,80-,90-	Undergarments, knitted or crocheted, other than shirts, night garments, tights and panty hose, men's and boys' and women's and girls' and infants' wear	865
II. 60.05.30-,50-	Sweaters, pullovers, slipovers, cardigans etc., knitted or crocheted, men's and boys' and women's and girls' wear	770
III. 61.01.505,506 61.02.605,606	Trousers, not knitted or crocheted, of cotton or discontinuous synthetic fibres, men's and boys' and women's and girls' wear	390
IV. 61.03 10-	Shirts, not knitted or crocheted, men's and boys' wear	238