

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 3 Notifications

Agreement between Australia and Macao

The Textiles Surveillance Body has received from the Government of AUSTRALIA a notification of an agreement between Australia and Macao concerning trade in certain textile items. This agreement has been notified by Australia under Article 3, paragraph 4, of the Arrangement.

The TSB has examined this agreement and has found that it is not entirely in conformity with the Article under which it was reported. While in the case of knitted tops, from the latest evidence made available to the TSB in the course of its examination, an actual threat of market disruption appears to exist, the evidence submitted does not sustain a case of market disruption caused by imports of the other products concerned.

The TSB is circulating this notification to participating countries in the Arrangement for their information.

MEMORANDUM OF UNDERSTANDING

1. This Memorandum of Understanding sets out the arrangements that have been made between the Government of Australia and the Government of Macao regarding the limits that the Government of Macao will apply to exports of certain garments for importation into Australia.
2. In making these arrangements, both Governments have taken account of the provisions of the Arrangement Regarding International Trade in Textiles and in particular of Article 3 of that Arrangement.
3. The restraint arrangements apply to Macao's exports to Australia of the items listed in the Annex to this Memorandum during the period 1 May 1975 to 30 June 1976. The Government of Macao will limit exports of these items to Australia to the levels set out in the Annex.
4. Exports may exceed the limits for any item by not more than $7\frac{1}{2}$ per cent; provided that corresponding reductions are applied in other items, it being understood that the total exports subject to restraint will not exceed the aggregate level for all products so restrained on the basis of a common unit. The Government of Macao shall notify the Government of Australia promptly of any action taken to utilize this provision and the nature and extent of use of the provision. For this purpose the square yard conversion factors listed in the Annex will apply.
5. The Government of Australia may refuse to admit imports of the items of Macao origin listed in the Annex unless such imports are covered by a Macao certificate of origin endorsed by the Foreign Trade Department, Macao, to the effect that the consignments concerned have been debited to the limits sets out in the Annex.
6. The Government of Macao will provide the Government of Australia with monthly statistics of exports of the items listed in the Annex that have been authorized for export to Australia and debited to the limits set out in the Annex.
7. The Government of Australia will provide the Government of Macao with monthly statistics of total imports, and imports from Macao and from other significant suppliers, of each of the items listed in the Annex.

8. The Government of Australia and the Government of Macao will consult together, at the request of either, on any matter arising from the implementation of these arrangements, and either Government may, at any time, propose revisions to their terms.

9. In particular, if the Government of Australia in the light of its desire to ensure the orderly and equitable development of trade with Australia in textiles, considers that as a result of the application of the arrangements, there is undue concentration of exports, or the possibility thereof, in any particular product, the Government of Australia may request the Government of Macao to consult with a view to remedial action such as a reasonable modification of these arrangements.

10. If the Government of Macao considers that, as a result of the implementation of these arrangements, Macao is being placed in an inequitable position vis-à-vis any third country, the Government of Macao may request the Government of Australia to consult with a view to appropriate remedial action.

11. The Annex to this Memorandum shall be considered as an integral part of it.

(signed)

For the Government of
Australia

(signed)

For the Government of
Macao

Annex

RESTRAINED ITEMS AND LIMITS

(a)	(b)	(c)	(d)	(e)
Item number	Australian tariff item number	Description	Limit in pieces ¹	Conversion factor from dozen to equivalent square yards
1	ex 60.05	Knitted tops, i.e. knitted coats, jackets, jumpers, cardigans, sweaters, pullovers and the like; knitted blouses and the like; knitted shirts (outerwear) and the like; cf. all fibres and sizes	700,000	36.8 sq.yds./doz. in respect of knitted coats, jackets, jumpers, cardigans, sweaters, pullovers and the like. 18.36 sq.yds./doz. in respect of other items
2	ex 60.05 ex 61.02	Dresses, knit and woven, all fibres, women's, girls' and infants'	64,000	45.3 sq.yds./doz.
3	ex 61.02 ex 61.04	Blouses and shirts, woven, all fibres, women's, girls' and infants'	23,500	14.53 sq.yds./doz.
4	ex 60.05 ex 61.01	Trousers and jeans, knit and woven, all fibres, men's, youths', boys' and infants'	186,000	17.8 sq.yds./doz.
5	ex 61.04	Nightwear (including nightdresses and pyjamas), woven, all fibres, women's, girls' and infants'	100,000	51.96 sq.yds./doz.

¹These limits relate to shipments from Macao in the period 1 May 1975 to 30 June 1976.

RECORD OF UNDERSTANDING BETWEEN THE MACAO AND AUSTRALIAN
DELEGATIONS OF 2 MAY 1975

The Australian delegation referred to the arrangements made between the Government of Macao and the Government of Australia set out in the Memorandum of Understanding of 2 May 1975 on the question of the export of certain garments to Australia.

The Australian delegation stated that it understood that in accordance with the common desire of both delegations to ensure the orderly and equitable development of trade between Macao and Australia in textile products, the Macao authorities would bring to the attention of the Australian authorities any unusual concentration in any particular month of registered Manufacturer's Declarations (Declaração do Produtor) in respect of the supply of textile products for export to Australia not covered by the aforementioned Memorandum of Understanding.

(Signed)

Leader of
Australian Delegation

(Signed)

Leader of
Macao Delegation

Macao, 2 May 1975