

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/229
15 April 1977

Special Distribution

Textiles Surveillance Body

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French

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notification

Agreement between the EEC and Colombia

The Textiles Surveillance Body has received from the EEC a notification of a bilateral agreement which has been formally concluded under Article 4 of the Arrangement between the EEC and Colombia concerning trade in textiles.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4¹, has examined the relevant documentation and is circulating the text of this agreement to participating countries for their information.

¹See COM.TEX/SB/35, Annex B.

COUNCIL REGULATION (EEC) No 302/77

of 8 February 1977

concluding the Agreement between the European Economic Community and the Republic of Colombia on trade in textile products

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the recommendation from the Commission,

Whereas the Agreement on trade in textile products negotiated between the European Economic Community and the Republic of Colombia should be concluded,

HAS ADOPTED THIS REGULATION:

Article 1

The Agreement between the European Economic Community and the Republic of Colombia on trade

in textile products is hereby concluded on behalf of the Community.

The text of the Agreement is annexed to this Regulation.

Article 2

The President of the Council shall notify the other Contracting Party of the completion by the Community of the procedures required for the entry into force of the Agreement ⁽¹⁾.

Article 3

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 8 February 1977.

For the Council

The President

Anthony CROSLAND

⁽¹⁾ The date of entry into force of the Agreement will be published in the *Official Journal of the European Communities* by the General Secretariat of the Council.

AGREEMENT

between the European Economic Community and the Republic of Colombia on trade in textile products

THE COUNCIL OF THE EUROPEAN COMMUNITIES

of the one part,

THE GOVERNMENT OF THE REPUBLIC OF COLOMBIA

of the other part,

DESIRING to ensure the orderly and equitable development of trade in textiles between the European Economic Community (hereinafter referred to as 'Community') and Colombia,

HAVING regard to the provisions of the Arrangement regarding international trade in textiles (hereinafter referred to as 'the Geneva Arrangement') and in particular Article 4 thereof,

HAVE DECIDED, in a spirit of mutual cooperation and in conformity with the said Geneva Arrangement, to conclude this Agreement and to this end have designated as their Plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

Camillo PAOLI,

Head of Division in the Directorate-General for External Relations of the Commission of the European Communities;

THE GOVERNMENT OF THE REPUBLIC OF COLOMBIA:

German BULA-HOYOS,

Ambassador Extraordinary and Plenipotentiary,
Head of the Mission of the Republic of Colombia to the European Communities;

WHO HAVE AGREED AS FOLLOWS:

Article 1

1. The parties recognize and confirm that, subject to the provisions of this Agreement and without prejudice to their rights and obligations under the General Agreement on tariffs and trade, the conduct of their mutual trade in textile products shall be governed by the provisions of the Geneva Arrangement.

2. This Agreement shall apply to trade in those categories of textile products originating in and dispatched from Colombia set out in Annex I.

3. Quantitative limits for the said products have been agreed between the Parties. Details of the quantities and regions of the Community to which such limits presently apply are likewise set out in

Annex I. Both Parties recognize that the quantitative limits agreed in the present negotiations are without prejudice to the possible future application of Article 5 of this Agreement.

Article 2

1. The Community undertakes, in respect of the categories of textile products to which this Agreement applies, and subject to the satisfactory operation of this Agreement, not to introduce new quantitative restrictions and to refrain from invoking the provisions of Article 3 of the Geneva Arrangement provided that exports to the Community of such textile products originating in and dispatched from Colombia do not exceed the quantitative limits established under the provisions of this Agreement.

2. The Government of Colombia undertakes to take the appropriate measures to ensure that the quantitative limits established under this Agreement are not exceeded.

3. The Community shall not object to the aforementioned quantitative limits being exceeded in the event of additional demand developing on the market of the Community, on the understanding that any additional quantities shall be fixed by common agreement between both Parties.

4. Both Parties undertake to cooperate in implementing the measures necessary for the purpose of this Article.

Article 3

1. Imports into the Community of those textile products to which this Agreement applies which are for immediate re-export or for inward processing and subsequent re-export outside the Community shall not be subject to quantitative limits established under this Agreement, provided that they are entered as such under an administrative system of control in force for this purpose within the Community.

2. In any case where Community authorities ascertain that imports as described in paragraph 1 have been retained for consumption within the Community, the latter shall notify the Government of Colombia on a quarterly basis of the amounts involved. Colombia shall in such cases and at the request of the Community, charge such amounts against the quantitative limit or limits in question for the current Agreement year or for the following Agreement year.

3. In any case where the competent authorities within the Community ascertain under an administrative system of control in force that imports of textile products to which this Agreement applies have been charged against quantitative limits established under this Agreement but subsequently re-exported outside the Community, the competent authority concerned shall inform the Colombian authorities of the quantities involved and authorize imports of the same quantities which shall not be charged to the quantitative limits under this Agreement.

Article 4

1. The following Colombian textile products shall, subject to the conditions indicated hereafter, be admitted into the Community without quantitative limit:

- (i) cotton handloom fabrics of the cottage industry, containing not more than 5% by weight of man-made fibres, being fabrics which are both traditionally of the kind woven on a loom and actually woven on a loom for which the motive power is provided entirely by the operators (that is, where the three primary movements of weaving, namely shedding, picking and beating, are induced by hand or foot and no other source of power is used);
- (ii) goods made up by the cottage industry from such cotton handloom fabrics;
- (iii) traditional Colombian folklore handicraft textile products cut, sewn or otherwise fabricated by hand in cottages which are units of the cottage industry.

2. Admission into the Community of these products without quantitative limit shall be subject to the satisfactory operation of agreed arrangements for certification.

Article 5

1. Both Parties agree to enter promptly into consultations with each other, at the request of either and in conformity with the provisions of the Geneva Arrangement, on any matter concerning their trade in textile products and in particular on any problems arising from the application of this Agreement. Consultations held under the provisions of this Article shall be approached by both Parties in a spirit of compromise and with a view to the conciliation of differences existing between them.

2. In view of the desire of the Community and Colombia to avoid real risks of market disruption on the one hand, and disruption of the Colombian textile trade on the other, and having full regard to the need for equitable treatment of participating countries in the Geneva Arrangement, the following specific consultation procedure shall apply to the products set out in Annex I to this Agreement.

3. The Community may request consultations with a view to reaching agreement on an appropriate level of restraint, where such does not already exist, for any product set out in Annex I whenever, in the view of the Community, conditions in any of its markets are such that a limitation on further trade in any such product may be necessary to eliminate real risks of market disruption (as defined in Annex A to the Geneva Arrangement). The consultation procedure referred to in this paragraph will be resorted to only sparingly and will be implemented

in a manner consistent with the principles and objectives of the Geneva Arrangement.

4. The request for such a consultation shall be accompanied, within a reasonable period of time, by a statement of the market conditions in the Community which, in the opinion of the Community, make necessary the request for consultations.

5. Until such time as a mutually satisfactory solution has been reached, Colombia undertakes, if so requested by the Community, to limit the issue of export licences for the products in question to the region or regions of the Community market indicated by the Community, in order not to exceed, at an annual rate, the level of 107% of the imports recorded in the 12 months ending three months before the date on which the request for consultations was made.

6. In order to ensure the satisfactory operation of this Agreement and in particular Article 5 thereof, Colombia agrees to inform the Community immediately upon receipt of any applications for export licences covering exceptionally large amounts or which are concentrated in particular product categories or subcategories. In judging what constitute exceptionally large amounts Colombia shall have regard to recent levels of trade and shall ensure that the quantities covered by the issue of the export licences in question will not be such as to cause a sharp and substantial increase of imports of the products in question into the Community or any region thereof.

7. Both parties shall consult as soon as possible within 30 days following communication of the statement referred to in paragraph 4 and shall make their best efforts to complete such consultations within 30 days of their commencement.

8. If the Parties are unable to reach a satisfactory solution during the consultation provided for in this Article within a reasonable period of time, either Party may refer the matter to the Textiles Surveillance Body in accordance with Article 11 (4) of the Geneva Arrangement.

Either Party choosing to adopt such a course of action shall notify the other in advance of its intention.

9. At the request of Colombia, consultations will take place in order to review the need for the maintenance or modification of any quantitative limit established under this Article whenever the market conditions which led to the establishment of such quantitative limits no longer prevail.

Article 6

If, having regard to the provisions of the Geneva Arrangement, Colombia considers that as a result of the quantitative limits established under this Agreement, it is being placed in an inequitable position as compared with a third country, Colombia may request consultations with the Community with a view to taking appropriate action consistent with both Parties' international rights and obligations.

Article 7

1. Portions of any quantitative limit established under this Agreement which are not used during any Agreement year may be carried over and added to the corresponding quantitative limit in the following Agreement year, within a limit of 10% of the latter.

2. Within a limit of 10% of each of the quantitative limits established under this Agreement, advance deliveries shall be authorized from the corresponding quantitative limit established for the following Agreement year.

3. Within any one Agreement year, unused portions of quantitative limits established under this Agreement in respect of any region of the Community market may be transferred to another quantitative limit established for that same region of the Community market within a ceiling of 7% of the recipient quantitative limit.

4. The preceding flexibility provisions shall not, in any given Agreement year, result in a quantitative limit for any category being exceeded by more than 20% of the quantitative limit for that category for that Agreement year.

5. The flexibility provisions contained in this Article may be applied by Colombia only following written notification to the Community by the Colombian authorities.

Article 8

Colombia shall endeavour to ensure that exports of all textile products for which quantitative limits may be established under this Agreement are spaced out as evenly as possible over each of the Agreement years, due account being taken, in particular, of seasonal factors.

Article 9

Both Parties agree to exchange all useful information concerning their mutual trade in textile products in

order to ensure the successful implementation of this Agreement.

Article 10

1. The Parties agree that the quantitative limits established under this Agreement shall be managed under a system of double checking, the details of which are set out in Annex II to this Agreement.
2. Colombia therefore agrees to furnish the Community, on a quarterly basis, with precise statistical information on all export licences issued by the authorities of Colombia for all categories of textile exports to the Community to which this Agreement applies.
3. The Community shall likewise forward to the authorities of Colombia, on a quarterly basis, precise statistical information on imports of such products into the Community.

Article 11

1. Both Parties shall take all possible measures to ensure that traditional channels and methods of trade between the Community and Colombia are maintained.
2. Should the Community inform Colombia that the application of this Agreement has given rise to difficulties regarding the maintenance of existing commercial relations between importers in the Community and their suppliers in Colombia, the Parties agree to consult in accordance with the procedure set out in Article 5 (1).

Article 12

This Agreement shall apply to the territories where the Treaty establishing the European Economic Community applies, on the conditions established in the said Treaty, and to the territories of the Republic of Colombia.

Article 13

1. This Agreement shall enter into force on the first day of the month following the date on which the Contracting Parties have notified each other of the completion of the procedures necessary for the purpose. It shall remain in force until 31 December 1977.
2. This Agreement shall have effect from 1 January 1976.
3. Either Party may at any time propose amendments to this Agreement or denounce it provided that notice is given at least 120 days before the expiry of any 12-month period; in the latter event, the Agreement will come to an end at the expiry of the said 12-month period.
4. The Annexes to this Agreement shall form an integral part thereof.

Article 14

This Agreement shall be drawn up in two copies in the Danish, Dutch, English, French, German, Italian and Spanish languages, each of these texts being equally authentic.

ANNEX I

Quantitative limits established under Article 1

1. Colombia shall limit exports of the products listed below to the regions of the Community market and to the quantitative limits indicated.

CCT heading No	Description	Community region	Annual quantity (in tonnes, unless otherwise indicated)	
			1976	1977
55.05	Cotton yarn not put up for retail sale	BNL I	1 000 2 600	1 070 2 782
ex 55.09	Woven fabrics of cotton: — Unbleached or bleached	I	1 980	2 119
ex 55.09	Woven fabrics of cotton: — Other than unbleached or bleached	BNL I	500 1 050	535 1 124
55.09	Other woven fabrics of cotton	UK ⁽¹⁾	2 050 000 m ²	2 193 500 m ²
51.04	Woven fabrics of man-made fibres (continuous) including woven fabrics of monofil or strip of heading No 51.01 or 51.02: A. Woven fabrics of synthetic textile fibres	UK ⁽¹⁾	300	321
56.07	Woven fabrics of man-made fibres (discontinuous or waste): A. Of synthetic textile fibres			

⁽¹⁾ For the purpose of the application of Article 7 of this Agreement in respect of the quantitative limits provided for in this Annex for the United Kingdom, an equivalence of 2 500 square metres per tonne has been agreed between the Parties.

2. Should the quantitative limits referred to above remain in force for a further period, or periods, of 12 months, the level for that period shall not be lower than the level specified for the preceding 12-month period, increased by not less than 7%.

ANNEX II

System of double checking

As agreed between the Parties in Article 10 of the Agreement, the administration of exports of textile products from Colombia and imports into the Community will be based on a system of double checking. The details of this system have been agreed between the Parties and are set out below.

The competent authorities within the Community will, automatically and without delay, accept imports of textile products on submission of the importer's application together with a certified copy of the export licence. The competent authorities within the Community shall be entitled to require the presentation of an export licence in respect of goods originating in Colombia of the categories in respect of which the provisions of Article 5 have been invoked.

These export licences will be issued by the Colombian authorities ⁽¹⁾ up to the total amount of the agreed ceilings.

The export licences issued by the Colombian authorities shall be applicable to the products subject to restraint under the Agreement.

The export licence must specify:

1. destination (relevant Member State),
2. serial number,
3. importer's name and address,
4. exporter's name and address,
5. net weight (in kilograms or tonnes, or other units designated in the Agreement),
6. category and description of product,
7. certification by the Colombian authorities that the quantity has been debited against the agreed ceiling for exports to the Community (relevant Member State) or, where appropriate, is for immediate re-export or for inward processing and subsequent re-export outside the Community.

The competent authorities within the Community will not raise difficulties in the event of a discrepancy between the weight indicated in the export licence and the shipment or import weight provided that it is within reasonable limits, while the Colombian authorities, for their part, will endeavour to keep any discrepancies to a minimum.

In the event of total or partial withdrawal of an export licence, the Colombian authorities will notify the competent authorities within the Community thereof. The authorities of the Member States of the Community will take the appropriate measures in accordance with their existing administrative provisions.

The Colombian authorities will forward to the competent authorities within the Community, via the representatives of the Member States of the Community and to the Commission, quarterly returns showing the total quantity covered by the export licences issued against the quantitative limits for exports to the Member States of the Community, for all categories of exports of textile products to the Community to which this Agreement applies.

The Community will forward to the Colombian authorities, on a quarterly basis, precise statistical information on imports of such products into the Community.

⁽¹⁾ INCOMEX (Instituto Colombiano de Comercio Exterior).

ANNEX III

Handloom and textile handicraft articles

1. In accordance with Article 12 (3) of the Geneva Arrangement, the Community and Colombia have agreed in Article 4 of the Agreement that, subject to certain conditions, Colombian exports of certain handloom and textile handicraft products would be admitted into the Community without quantitative limit. The conditions set out in Article 4 (2) of the Agreement specify that admission of such products into the Community without quantitative limit shall be subject to the satisfactory operation of agreed arrangements for certification.
2. The Community and Colombia hereby agree that in carrying out the provisions of Article 4 of the Agreement the following form of certificate shall be used.

'Certificate in regard to cotton handloom fabrics and products thereof

name and address of manufacturer,
name and address of exporter,
name and address of importer within the Community,
description of goods,
quantity (tonnes),
name of ship or flight number,
port or airport of destination.

This is to certify that the above shipment consists of:

- (i) cotton handloom fabrics of the cottage industry, containing not more than 5% by weight of man-made fibres, being fabrics which are both traditionally of the kind woven on handlooms and actually woven on a loom for which the motive power is provided entirely by the operators (that is, where the three movements of weaving, namely shedding, picking and beating, are induced by hand or foot and no other source of power is used);
- (ii) goods made up by the cottage industry from such cotton handloom fabrics;
- (iii) traditional Colombian folklore handicraft textile products cut, sewn, or otherwise fabricated by hand in cottages which are units of the cottage industry.

Signed

3. The body which shall be authorized to issue the above certificates is INCOMEX (Instituto Colombiano de Comercio Exterior).

ANNEX IV

Exchange of letters concerning the Agreement between the European Economic Community and the Republic of Colombia on trade in textile products

Sir,

In concluding the negotiations held between the Government of Colombia and the European Economic Community which have led this day to the signing of an Agreement on trade in textile products, I have the honour to confirm the following record of understanding:

In the view of the Colombian delegation the quantitative limit for Italy for woven cotton fabrics other than unbleached or bleached (ex 55.09) for the year 1976 as shown in Annex I, did not take fully into account the potential of Colombian exports to this Community market.

A review may be held, at the request of Colombia, in order to assess the position and to determine, on a mutually agreed basis, whether and to what extent an upward revision of the quantitative limit in question should be made.

I should be grateful for your confirmation that the above correctly represents our understanding in the matter.

Please accept, Sir, the assurances of my highest consideration.

*For the Government
of the Republic of Colombia*

Sir,

I have the honour to refer to your letter of today's date in the following terms:

'In concluding the negotiations held between the Government of Colombia and the European Economic Community which have led this day to the signing of an Agreement on trade in textile products, I have the honour to confirm the following record of understanding:

In the view of the Colombian delegation the quantitative limit for Italy for woven cotton fabrics other than unbleached or bleached (ex 55.09) for the year 1976 as shown in Annex I, did not take fully into account the potential of Colombian exports to this Community market.

A review may be held, at the request of Colombia, in order to assess the position and to determine, on a mutually agreed basis, whether and to what extent an upward revision of the quantitative limit in question should be made.

I should be grateful for your confirmation that the above correctly represents our understanding in the matter.'

I confirm that this correctly sets out our understanding in the matter.

Please accept, Sir, the assurance of my highest consideration.

*For the Council
of the European Communities*

ANNEX V

Letter from the Colombian Delegation concerning Italian imports

Brussels, 29 April 1976

Sir,

With reference to the Agreement between Colombia and the European Economic Community on trade in textile products initialled on 29 April 1976, I have the honour to confirm that, in view of the level of Italian imports of unbleached and bleached cotton cloth from Colombia effected in the period from 1 January 1976 to 31 December 1976 under the quantitative limit laid down in the Agreement, the Colombian authorities will take the measures necessary to avoid Colombian exports of the above products exceeding the quantitative limit laid down for the period concerned.

The Colombian delegation understands that the quantitative limit of 1 980 tonnes, as laid down by the Agreement for 1976, may be reduced by the quantities imported up to 1 May 1977, i.e. 700 tonnes.

Please accept, Sir, the assurance of my highest consideration.

Alberto GALEANO
Head of the
Colombian delegation

ANNEX VI

Letter from the Delegation of the European Economic Community concerning imports by the Federal Republic of Germany

Brussels, 3 May 1976

Sir,

I have the honour to refer to the negotiations between our respective delegations for an Agreement on trade in textile products which has been initialled on 29 April 1976, in particular, to my statement regarding the situation on the Community market in the Federal Republic of Germany as regard the imports of cotton yarn and grey bleached cotton cloth from Colombia.

I wish to stress again to the Colombian authorities the serious concern with which the Community views the developments in this trade.

Import data for the products in question for a period of three years until the end of 1975 is as follows:

	<u>1973</u>	<u>1974</u>	<u>1975</u>
Cotton yarn	1 512 tonnes	2 596 tonnes	4 206 tonnes
Cotton cloth	—	248 tonnes	1 145 tonnes

The Community does not wish, on this specific question, at present to seek consultations with the Colombian authorities in the framework of the provisions of our bilateral agreement.

The Community is convinced that the Colombian authorities, in the same spirit in which the negotiations have been conducted, will give due consideration to the difficulties mentioned above and that they will take appropriate steps in order to effect, in the immediate future, a stabilization in this trade, thus avoiding the necessity for recourse to the consultation procedure contained in the bilateral agreement between the Community and Colombia.

Yours faithfully,

C. PAOLI
