

GENERAL AGREEMENT ON
TARIFFS AND TRADE

COM.TEX/SB/377

29 December 1978

Special Distribution

Textiles Surveillance BodyOriginal: English/
FrenchARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILESArticle 4 NotificationBilateral Agreement between the EEC and Bangladesh

The Textiles Surveillance Body has received from the EEC a notification of a bilateral agreement which has been concluded under Article 4^{1/} of the Arrangement between the EEC and Bangladesh concerning trade in textiles^{1/}, for the period 1 January 1978 to 31 December 1982.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4^{2/}, has examined the relevant documentation and is circulating the text of this agreement to participating countries for their information.^{3/}

^{1/} For status of the agreement see paragraph 15, COM.TEX/SB/380.

^{2/} See COM.TEX/SB/35, Annex B.

^{3/} The observations and recommendations set forth in COM.TEX/SB/380 and in paragraph 17 will apply to this agreement.

AGREEMENT
BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND THE
PEOPLE'S REPUBLIC OF BANGLADESH
ON TRADE IN TEXTILE PRODUCTS

THE COUNCIL OF THE EUROPEAN COMMUNITIES, of the one part, and

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH, of the other part,

DESIRING to promote, with a view to permanent co-operation and in conditions providing every security for trade, the orderly and equitable development of trade in textile products between the European Economic Community (hereinafter referred to as "the Community") and Bangladesh,

RESOLVED to take the fullest possible account of the serious economic and social problems at present affecting the textile industry in both importing and exporting countries, and in particular, to eliminate real risks of market disruption on the market of the Community and disruption to the textile trade of Bangladesh,

HAVING REGARD to the Arrangement regarding International Trade in Textiles (hereinafter referred to as "the Geneva Arrangement"), and in particular Article 4 thereof; and to the Protocol extending the said Arrangement (L/4616) together with the conclusions adopted on 14 December 1977 by the Textiles Committee,

HAVE DECIDED to conclude this Agreement and to this end have designated as their plenipotentiaries,

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

HAVE AGREED AS FOLLOWS:

Trade Arrangements

Article 1

1. This Agreement shall apply to trade in textile products of cotton, wool or man-made fibres originating in Bangladesh which are listed in Annex I.

This Agreement shall apply to imports of cottage-industry products under the conditions laid down in Protocol B.

2. The description and identification of the products covered by this Agreement are based on the nomenclature of the Common Customs Tariff and on the Nomenclature of Goods for the External Trade Statistics of the Community and the Statistics of Trade between Member States (NIMEXE).

3. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in the Community.

The procedures for control of the origin of the products referred to above are laid down in Protocol A.

Article 2

1. Imports of textile products covered by this Agreement shall be subject to a system of administrative control by the Community in accordance with the provisions in force in the Community.

2. The Community undertakes to supply the Bangladesh authorities with import statistics for products originating in Bangladesh before the end of the second month following the quarter to which those statistics relate. The preceding year's statistics on all imports into the Community of products covered by this Agreement, broken down by supplying country and member State, will also be provided before 1 April of each year.

Article 3

Exports from Bangladesh to the Community of products covered by this Agreement shall, at the time of entry into force of this Agreement, be free from quantitative limits. However, quantitative limits may subsequently be introduced under conditions specified in Protocol C.

Article 4

Should quantitative limits be introduced under Article 3, the Parties agree to initiate without delay the consultation procedure specified in Article 5, with a view to establishing the arrangements for the administration of imports of the products subject to quantitative limits.

Article 5

The consultation procedure referred to in this Agreement shall be governed by the following provisions:

- any request for consultations shall be notified in writing to the other Party;

- where appropriate, the request for consultations shall be followed within a reasonable period (and in any case not later than fifteen days following the notification) by a report setting out the circumstances which, in the opinion of the requesting Party, justify the submission of such request;
- the Parties shall enter into consultations within one month at the latest of notification of the request, with a view to reaching agreement or a mutually acceptable conclusion within one month at the latest.

Article 6

At the request of either of the Parties and in conformity with the provisions of the Geneva Arrangement, consultations shall be held on any matter concerning their trade in textile products and in particular on any problem arising from the application of this Agreement. Any consultations held under this Article shall be approached by both Parties in a spirit of compromise and with a desire to reconcile the differences between them.

Transitional and Final Provisions

Article 7

1. Subject to the provisions set out in Articles 3 and 4, the Community undertakes, in respect of the products covered by this Agreement, not to introduce quantitative restrictions under Article XIX of the General Agreement on Tariffs and Trade or Article 3 of the Geneva Arrangement.
2. Measures having equivalent effect to quantitative restrictions on the importation into the Community of the products covered by this Agreement shall be prohibited.

Article 8

This Agreement shall apply to the territories within which the Treaty establishing the European Economic Community is applied and under the conditions laid down in that Treaty on the one hand, and to the territory of Bangladesh on the other hand.

Article 9

1. This Agreement shall enter into force on the first day of the month following the date on which the Contracting Parties notify each other of the completion of the procedures necessary for this purpose. It shall be applicable until 31 December 1982.

2. This Agreement shall apply with effect from 1 January 1978.
3. Either Party may at any time propose modifications to this Agreement or denounce it provided that at least ninety days' notice is given. In the latter event the Agreement shall come to an end on the expiry of the period of notice.
4. The Annex and Protocols to this Agreement shall form an integral part thereof.

Article 10

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

PROTOCOL A

Procedures for Origin Control

Article 1

1. Products originating in Bangladesh may be imported into the Community in accordance with the arrangements established by this Agreement on production of a certificate of origin conforming to the specimen annexed to this Protocol.

2. The certificate of origin shall be issued by the competent governmental authorities of Bangladesh if the products in question can be considered products originating in that country within the meaning of the relevant rules in force in the Community.

For the purpose of verifying whether the above condition has been met, the competent governmental authority of Bangladesh shall have the right to call for any documentary evidence or to carry out any check which it considers appropriate.

3. However, the products in Groups III, IV and V may be imported into the Community in accordance with the arrangements established by this Agreement on production of a declaration by the exporter on the invoice or other commercial document to the effect that the products in question originate in Bangladesh within the meaning of the relevant rules in force in the Community.

Article 2

The certificate of origin shall be made out in English or French. If it is completed by hand, entries must be in ink and in printscript. It may comprise additional copies duly indicated as such.

The document shall measure 210 x 297 mm. The paper used must be white sized writing paper weighing not less than 25 g/m². It shall have a printed guilloche-pattern background making any falsification by mechanical or chemical means apparent to the eye.

Each document shall bear a serial number, whether or not printed, by which it can be identified.

Article 3

The certificate of origin may be issued after the shipment of the products to which it relates. In such cases it must bear the endorsement "délivré a posteriori" or "issued retrospectively".

Article 4

In the event of theft, loss or destruction of a certificate of origin, the exporter may apply to the competent governmental authority which issued the document for a duplicate to be made out on the basis of the export documents in his possession. The duplicate certificate issued in this way must bear the endorsement "duplicata".

The duplicate must bear the date of the original certificate.

Article 5

The competent governmental authorities in Bangladesh shall satisfy themselves that the goods exported correspond to the particulars given in the certificate of origin.

Article 6

Bangladesh shall send the Commission of the European Communities the names and addresses of the governmental authorities competent to issue certificates of origin, together with specimens of stamps used by these authorities.

Article 7

The discovery of slight discrepancies between the statements made in the certificate of origin and those made in the documents produced to the customs office for the purpose of carrying out the formalities for importing the product shall not ipso facto cast doubt upon the statements in the certificate.

Article 8

1. Subsequent verification of certificate of origin shall be carried out at random, or whenever the competent Community authorities have reasonable doubt as to the authenticity of the certificate or as to the accuracy of the information regarding the true origin of the products in question.

In such cases the competent authorities in the Community shall return the certificate of origin or a copy thereof to the competent governmental authority in Bangladesh giving where appropriate the reasons of form or substance for an enquiry. If the invoice or a copy of it has been submitted, such invoice or copy shall be attached by the said authorities to the certificate of origin. The authorities shall also forward any information that has been obtained suggesting that the particulars given on the said certificate are inaccurate.

2. The provisions of paragraph 1 above shall be applicable to subsequent verifications of the declarations of origin referred to in Article 1(3) of this Protocol.

3. The results of the subsequent verification carried out in accordance with paragraphs 1 and 2 above shall be communicated to the competent authorities in the Community within three months at the latest.

Should such verifications reveal systematic irregularities in the use of declarations of origin, the Community may subject imports of the products in question to the provisions of Article 1(1) and (2) of this Protocol.

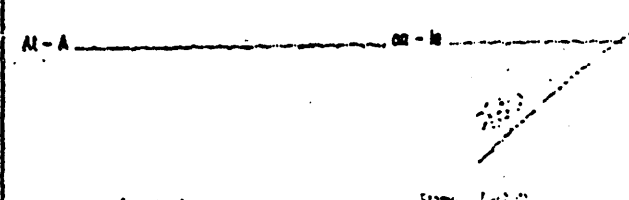
4. For the purpose of subsequent verification of certificates of origin, copies of the certificates as well as any export documents referring to them shall be kept for at least two years by the competent governmental authorities in Bangladesh.

5. Random recourse to the procedure specified in this Article may not constitute an obstacle to the release for home use of the products in question.

Article 9

The provisions of this Protocol shall not apply to goods covered by a certificate of origin Form A completed in accordance with the relevant Community rules in order to qualify for generalized tariff preferences (GSP).

Annexe au Protocole A - Annex to Protocol A

1 Exporter (name, full address, country) Exportateur (nom, adresse complète, pays)	ORIGINAL		2 No
	3 Quota year Année contingente	4 Category number Numéro de catégorie	
5 Consignee (name, full address, country) Destinataire (nom, adresse complète, pays)	CERTIFICATE OF ORIGIN (Textile products) <hr/> CERTIFICAT D'ORIGINE (Produits textiles)		
	6 Country of origin Pays d'origine	7 Country of destination Pays de destination	
8 Place and date of shipment - Means of transport Lieu et date d'embarquement - Moyen de transport	9 Supplementary details Données supplémentaires		
10 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS *Marques et numéros - Nombre et nature des colis - DESIGNATION DES MARCHANDISES	11 Quantity (1) Quantité (1)	12 FOB Value (2) Valeur FOB (2)	
	13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITE COMPETENTE I, the undersigned, certify that the goods described above originated in the country shown in box No 6, in accordance with the provisions in force in the European Economic Community. Je soussigné certifie que les marchandises désignées ci-dessus sont originaires du pays figurant dans la case No 6, conformément aux dispositions en vigueur dans la Communauté Economique Européenne.		
14 Competent authority (name, full address, country) Autorité compétente (nom, adresse complète, pays)	At - A _____ on - le _____ 		

(1) Show net weight (kg) and gross weight in the undesignated for category where other than net weight - Indiquer le poids net (kg) dans les cases prévues pour la catégorie si cette unité n'est pas le poids net.
 (2) In the currency of the sale contract - Dans la monnaie du contrat de vente

PROTOCOL B

Cottage Industry Products

The provisions of the second paragraph of Article 1(1) of the Agreement in respect of cottage industry products shall apply only to the following products:

- (i) textile fabrics woven on looms operated solely by hand or foot, being fabrics of a kind traditionally made in the cottage industry of Bangladesh;
- (ii) garments or other textile articles of a kind traditionally made in the cottage industry of Bangladesh and produced solely by hand without the aid of any machine from the fabrics described above;
- (iii) folklore textile products forming part of the particular cultural tradition of Bangladesh made in the cottage industry of Bangladesh solely by hand without the aid of any machine, as defined in a list of such products to be agreed between the two parties;
- (iv) traditional Bangladesh handicraft batik¹ fabrics and textile articles made by hand from such batik fabrics without the aid of any machine.

Imports of these products will not be subject to quantitative limits provided that they are covered by a certificate issued by the competent authorities of Bangladesh conforming to the specimen annexed to this Protocol. Such certificate shall indicate the grounds on which exemption is based and shall be accepted by the competent Community authorities provided that they are satisfied that the products concerned conform to the conditions set out in this Protocol. Should imports of any of the above products reach such proportions as to cause difficulties to the Community, the two parties shall open consultations forthwith in accordance with the procedure laid down in Article 5 of the Agreement with a view to finding a quantitative solution to the problem.

¹Handicraft batik is produced by a traditional process by which colours and shades are added to a bleached or white fabric. The process is carried out by hand in three stages namely:

- (a) waxing (application of wax by hand to the fabric)
- (b) dyeing/painting (application of colour either by the traditional cottage method of dyeing or by hand painting)
- (c) de-waxing (boiling the fabric to remove the wax)

The three stages of the process are repeated on the fabric for each of the colours or shades of the design.

Annex to Protocol B - Annex to Protocol B

1 Originator, (name, full address, country) Expéditeur (nom, adresse complète, pays)	ORIGINAL	2
3 Consignee, (name, full address, country) Destinataire (nom, adresse complète, pays)	CERTIFICATE in regard to handloom, textile handicrafts and traditional textile products, of the cottage industry, issued in conformity with and under the conditions regulating trade in textile products with the European Economic Community CERTIFICAT relatif aux TISSUS TISSÉS SUR RÉTILERS À MAIN, aux PRODUITS TEXTILES FAITS À LA MAIN, et aux PRODUITS TEXTILES DE LA FOLIOLE TRADITIONNELLE, DE FABRICATION ARTISANALE, délivré en conformité avec et sous les conditions régissant les échanges de produits textiles avec la Communauté Economique Européenne	
6 Place and date of shipment - means of transport Lieu et date d'embarquement - Moyen de transport	4 Country of origin Pays d'origine	5 Country of destination Pays de destination
8 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS Marques et numéros - Nombre et nature des colis - DESIGNATION DES MARCHANDISES	7 Supplementary details Données supplémentaires	
9 Quantity Quantité	10 FOB Value Valeur FOB	
11 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITE COMPETENTE I, the undersigned, certify that the consignment described above includes only the following textile products of the cottage industry of the country shown in box No 4 : a) fabrics woven on looms operated solely by hand or foot (handlooms) (2) b) garments or other textile articles obtained manually from the fabrics described under a) and sewn solely by hand without the aid of any machine (handicrafts) (2) c) tradition of folkloric handicraft textile products made by hand, as defined in the list agreed between the European Economic Community and the country shown in box No 4. d) traditional handicraft batik fabrics and textile articles made by hand from such batik fabrics without the aid of any machine (2). Je soussigné certifie que l'envoi décrit ci-dessus contient exclusivement les produits textiles suivants relevant de la fabrication artisanale du pays figurant dans la case No 4 : a) tissus tissés sur des rétiliers actionnés à la main ou au pied (handlooms) (2) b) vêtements ou autres articles textiles obtenus manuellement à partir de tissus décrits sous a) et cousus uniquement à la main sans l'aide d'une machine (handicrafts) (2) c) produits textiles relevant du folklore traditionnel fabriqués à la main, comme définis dans la liste convenue entre la Communauté Economique Européenne et le pays indiqué dans la case No 4. d) tissus artisanaux traditionnels "batik" et articles textiles fabriqués à la main, sans l'aide d'une machine, à partir de tels tissus "batik" (2).		
12 Competent authority, (name, full address, country) Autorité compétente (nom, adresse complète, pays)	At - A on - le	

2. The country of the sale contract - Dans le contrat de vente
 3. The country of origin - Dans le certificat de provenance
 4. The country of destination - Dans le certificat de destination

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PROTOCOL C

1. Pursuant to Article 3 of the Agreement, Bangladesh may place quantitative limits on exports of the textile products listed in Annex I, on the conditions specified in the following paragraphs.

2. Where the Community finds, under the system of administrative control set up, that the level of imports of products in any category listed in Annex II originating in Bangladesh exceeds, in relation to the preceding year's total imports into the Community of products in that category, the following percentages:

- for categories of products in Group I, 0.2 per cent
- for categories of products in Group II, 1.5 per cent
- for categories of products in Group III, IV or V, 4 per cent

it may request that consultations be opened in accordance with the procedure specified in Article 5 of the Agreement, with a view to reaching agreement on a suitable level of limitation for products in that category.

3. Pending a mutually satisfactory solution, Bangladesh undertakes from the date of notification of the request for consultations, to suspend or limit at the level indicated by the Community exports of the category of products in question to the Community, or to the region or regions of the Community market specified by the Community.

The Community shall authorise the importation of products in the said category despatched from Bangladesh before the date on which the request for consultations was submitted.

4. Should the Parties be unable in the course of the consultations to reach a satisfactory solution within the period specified in Article 5 of the Agreement, the Community shall have the right to introduce an annual quantitative limit at a level which shall not be lower than that reached by imports of the category in question and indicated in the notification of the request for consultations.

If the trend of total imports of the said product to the Community so requires, the annual level fixed in this way shall be raised under the consultation procedure referred to in Article 5 in order to ensure observance of the conditions specified in paragraph 2.

5. Quantitative limits introduced under paragraph 2 or 4 may in no case be lower than the level of imports into the Community of products of the category in question originating in Bangladesh for 1976.

6. Quantitative limits on a regional basis may be requested only where imports of a given category of products into any region of the Community exceed, in relation to the amounts determined in accordance with paragraph 2, the following regional percentages:

Germany	28.5 per cent
Benelux	10.5 per cent
France	18.5 per cent
Italy	15 per cent
Denmark	3 per cent
Ireland	1 per cent
UK	23.5 per cent

7. The annual growth rate for the quantitative limits introduced under paragraph 2, 4 or 6 shall be determined as follows:

(a) for categories of products in Group I:

- the rate shall be fixed at 0.5 per cent per year for category 1 or 2
- the rate shall be fixed at 4 per cent per year for category 3, 4, 5, 6, 7 or 8;

(b) for categories of products in Group II, III, IV or V, the growth rate shall be fixed by agreement between the Parties in accordance with the consultation procedure established in Article 5 of the Agreement. Such growth rate may in no case be lower than the highest rate applied to corresponding categories under bilateral agreements concluded under the Geneva Arrangement between the Community and other third countries having a level of trade equal or comparable to that of Bangladesh.

8. The provisions of this Article shall not apply where the percentages specified in paragraph 2 have been reached as a result of a fall in total imports into the Community, and not as a result of an increase in exports of products originating in Bangladesh.

DECLARATION

Concerning Article 1(3) of the Agreement

The Community declares that, in accordance with the Community rules on origin referred to in Article 1(3) of the Agreement, any changes in those rules shall be made in line with the principle according to which origin is conferred on the basis of a single complete processing operation.

Done at Brussels,

For the Community,

The Mission of the People's Republic of Bangladesh to the European Communities presents its compliments to the Directorate General for External Relations of the Commission of the European Communities and has the honour to refer to the Agreement on trade in textile products negotiated between the People's Republic of Bangladesh and the European Economic Community and initialled on 25 July 1978.

The Mission of Bangladesh wishes to inform the Directorate General that, whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the Agreement, the Government of the Republic of Bangladesh is prepared to allow the provisions of the Agreement to apply de facto from 1 January 1978 if this is the wish of the Community.

The Mission of Bangladesh would be grateful if the Community would confirm its agreement to the foregoing.

The Mission of Bangladesh understands that the present note and the Community's note in reply shall constitute an Agreement between the People's Republic of Bangladesh and the Community.

The Mission of the People's Republic of Bangladesh to the European Communities avails itself of this opportunity to renew to the Directorate General for External Relations of the Commission of the European Communities the assurance of its highest consideration.

The Directorate General for External Relations of the Commission of the European Communities presents its compliments to the Mission of the People's Republic of Bangladesh to the European Communities and has the honour to refer to the Mission's note of today reading as follows:

"The Mission of the People's Republic of Bangladesh to the European Communities presents its compliments to the Directorate General for External Relations of the Commission of the European Communities and has the honour to refer to the Agreement on trade in textile products negotiated between the People's Republic of Bangladesh and the European Economic Community and initialled on 25 July 1978.

The Mission of Bangladesh wishes to inform the Directorate General that, whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the Agreement, the Government of the Republic of Bangladesh is prepared to allow the provisions of the Agreement to apply de facto from 1 January 1978 if this is the wish of the Community.

The Mission of Bangladesh would be grateful if the Community would confirm its agreement to the foregoing.

The Mission of Bangladesh understands that the present note and the Community's note in reply shall constitute an Agreement between the People's Republic of Bangladesh and the Community.

The Mission of the People's Republic of Bangladesh to the European Communities avails itself of this opportunity to renew to the Directorate General for External Relations of the Commission of the European Communities the assurance of its highest consideration."

The Directorate General for External Relations has the honour to confirm to the Mission of the People's Republic of Bangladesh that it is agreed to the content of the foregoing note and considers therefore that the exchange of notes constitutes an agreement between the People's Republic of Bangladesh and the Community.

The Directorate General for External Relations of the Commission of the European Communities avails itself of this opportunity to renew to the Mission of the People's Republic of Bangladesh to the European Communities the assurance of its highest consideration.