

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/385
5 January 1979

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3

Bilateral Agreement between Austria and Brazil

The Textiles Surveillance Body has received from Austria a notification of a bilateral agreement concluded under Article 3 of the Arrangement with Brazil, for the period 1 November 1978 to 1 November 1981.

The TSB has examined the relevant documentation and has found that the agreement is in conformity with the provisions of the Article under which it is notified, as well as with the other provisions of the Arrangement. The TSB is circulating this notification to participating countries for their information.¹

¹For observations of the TSB see COM.TEX/SB/388, paragraph 8.

FEDERAL MINISTRY FOR
TRADE, COMMERCE AND INDUSTRY

Vienna, 12 October 1978

Excellency,

I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT), done at Geneva on 20 December 1973, and to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 14 December 1977.

I further wish to refer to the negotiations which took place between a delegation of Austria and a delegation of the Federative Republic of Brazil on 11 to 15 September 1978 in Vienna. As a result of these negotiations the following agreement concerning direct and/or indirect exports of the cotton textiles specified below from the Federative Republic of Brazil to Austria has been reached under Article 3 of the ARRANGEMENT:

(1) Export limits in metric tons for the twelve-month period beginning

<u>Category</u>	<u>1 Nov. 1978</u>	<u>1 Nov. 1979</u>	<u>1 Nov. 1980</u>
(a) Cotton yarn			
CCCN No. 55.05	1.503.1	1.548.2	1.594.7
(b) Printed fabrics of cotton, CCCN No.			
ex 55.09	161.3	164.5	167.8

(2) The export limit for any category may be exceeded, after consultations between Austria and the Federative Republic of Brazil, by a carryover of not more than 10 per cent of the receiving agreement year's applicable export limit in the case of shortfalls in the corresponding export limit for the previous agreement year, and by a carry forward of not more than 5 per cent of the receiving year's applicable export limit. The carryover shall not exceed the amount of shortfall in the specific category and shall be used in the same category in which the shortfall occurred. Carry forward shall be deducted from the export limit established for the same category for the succeeding agreement year. The combination of carryover and carry forward shall not exceed 10 per cent of the receiving year's applicable export limit.

(3) Upon presentation of export licences for exports to Austria issued by the authorities of the Federative Republic of Brazil within the export limits set out in paragraph (1) above for direct and/or indirect exports from the Federative Republic of Brazil to Austria and endorsed to the effect that the consignments concerned have been debited to the agreed export limits, the competent Austrian authorities will licence the corresponding imports. For purposes of debiting imports of the aforementioned products to the relevant twelve-month period export limit, the Austrian importer has to submit the Brazilian certificate of origin bearing the actual date of shipment to the competent Austrian authority immediately upon receipt of that certificate. The Brazilian authorities will provide the competent Austrian authority with a specimen of both documents in order to avoid counterfeit.

(4) An undue concentration of exports of the products specified in paragraph (1) above from the Federative Republic of Brazil to Austria shall be avoided. Accordingly, the Brazilian authorities will endeavor to space exports evenly throughout the respective agreement year, taking into account normal seasonal factors.

(5) Austria will, as far as possible, inform the Federative Republic of Brazil when imports into Austria of the products that have been debited to the agreed export limits are subsequently re-exported from Austria. The Federative Republic of Brazil may then credit the quantities involved to the export limits set out in paragraph (1) above.

(6) In order to avoid hardship to the trade in the products specified in paragraph (1) above between the Federative Republic of Brazil and Austria, shipments made on/or before 16 November 1978 will be admitted by Austria upon presentation of the relevant documentation outside the agreed export limits for the twelve-month period beginning 1 November 1978 without endorsed export licences and certificates of origin, provided that these exports are covered either by irrevocable letters of credit or payment provisions by Austrian importers before 15 September 1978 and that customs clearance in Austria is effected on 21 December 1978 at the latest.

(7) The Federative Republic of Brazil will provide Austria on a monthly basis with information in respect of exports of the products specified in paragraph (1) above to Austria, showing: the names of the exporters; the category number of the items exported; the numbers and dates of export licences and certificates of origin; the respective quantities covered by these documents as well as the respective dates of shipment.

(8) Austria will provide the Federative Republic of Brazil with information concerning import licences issued within the agreed export limits upon presentation of export licences and certificates of origin indicated in paragraph (3) above, on a monthly and cumulative basis.

(9) As regards:

- (a) Bed linen of cotton, CCCN No. ex 62.02 and
- (b) Kitchen linen of cotton, CCCN No. ex 62.02;

Austria will automatically issue import licences. The Federative Republic of Brazil accepts to enter into consultations with Austria upon request of the latter if exports of such products develop in a manner which, in the view of Austria, causes real risks of market disruption, with a view to reaching an agreement on mutually acceptable terms. The request for such consultations shall be accompanied by a statement containing relevant data on market conditions which, in the view of Austria, make necessary the aforementioned request for consultations. If no agreement is reached, an import limit may be applied which shall not be lower than the respective imports into Austria for retention during the twelve-month period ending thirty days before the date of the request for consultations.

(10) Austria and the Federative Republic of Brazil agree to consult, upon the request of either party, on any question arising from the application of this agreement. Any consultations held under this paragraph shall be approached by both parties in a spirit of cooperation and with the object of reconciling any differences between them.

(11) The attached ANNEX concerning the question of circumvention is an integral part of this agreement.

I should be grateful if you would confirm that this note sets out correctly the understanding reached between the delegations of our two countries.

Accept, Excellency, the assurances of my highest consideration:

(signed) Dr. Rudolf Willenpart
Director

H.E.
Mr. Paulo Cabral de Mello
Ambassador
Embassy of the Republic of Brazil
1010 Vienna

A N N E X

The delegation of Austria drew the attention of the delegation of the Federative Republic of Brazil to the problem of circumvention regarding exports of the items specified below from Brazil to Austria:

- (a) Woven slacks, shorts, jeans and trousers, CCCN Nos. ex 61.01 and ex 61.02;
- (b) Woven shirts, CCCN No. ex 61.03.

For surveillance purposes only Austria will automatically issue licences for the import of such products originating in Brazil.

EMBASSY OF THE FEDERATIVE REPUBLIC
OF BRAZIL

Vienna, 13 October 1978

Sir,

I have the honour to acknowledge the receipt of your letter of 12 October, 1978, Ref.No. 27.647.1/5-II/7/78 which reads as follows:

"Excellency,

I have the honour to refer to the ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES (hereinafter referred to as the ARRANGEMENT), done at Geneva on 20 December 1973, and to the PROTOCOL EXTENDING THE ARRANGEMENT, done at Geneva on 14 December 1977.

I further wish to refer to the negotiations which took place between a delegation of Austria and a delegation of the Federative Republic of Brazil on 11 to 15 September 1978 in Vienna. As a result of these negotiations the following agreement concerning direct and/or indirect exports of the cotton textiles specified below from the Federative Republic of Brazil to Austria has been reached under Article 3 of the ARRANGEMENT:

1) Export limits in metric tons for the twelve-month period beginning

<u>Category</u>	<u>1 Nov.1978</u>	<u>1 Nov.1979</u>	<u>1 Nov.1980</u>
(a) Cotton yarn			
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(2) The export limit for any category may be exceeded, after consultations between Austria and the Federative Republic of Brazil, by a carryover of not more than 10 per cent of the receiving agreement year's applicable export limit in the case of shortfalls in the corresponding export limit for the previous agreement year, and by a carry forward of not more than 5 per cent of the receiving year's applicable export limit. The carryover shall not exceed the amount of shortfall in the specific category and shall be used in the same category in which the shortfall occurred. Carry forward shall be deducted from the export limit established for the same category for the succeeding agreement year. The combination of carryover and carry forward shall not exceed 10 per cent of the receiving year's applicable export limit.

(3) Upon presentation of export licences for exports to Austria issued by the authorities of the Federative Republic of Brazil within the export limits set out in paragraph (1) above for direct and/or indirect exports from the Federative Republic of Brazil to Austria and endorsed to the effect that the consignments concerned have been debited to the agreed export limits, the competent Austrian authorities will licence the corresponding imports. For purposes of debiting imports of the aforementioned products to the relevant twelve-month period export limit, the Austrian importer has to submit the Brazilian certificate of origin bearing the actual date of shipment to the competent Austrian authority immediately upon receipt of that certificate. The Brazilian authorities will provide the competent Austrian authority with a specimen of both documents in order to avoid counterfeit.

(4) An undue concentration of exports of the products specified in paragraph (1) above from the Federative Republic of Brazil to Austria shall be avoided. Accordingly, the Brazilian authorities will endeavor to space exports evenly throughout the respective agreement year, taking into account normal seasonal factors.

(5) Austria will, as far as possible, inform the Federative Republic of Brazil when imports into Austria of the products that have been debited to the agreed export limits are subsequently re-exported from Austria. The Federative Republic of Brazil may then credit the quantities involved to the export limits set out in paragraph (1) above.

(6) In order to avoid hardship to the trade in the products specified in paragraph (1) above between the Federative Republic of Brazil and Austria, shipments made on/or before 16 November 1978 will be admitted by Austria upon presentation of the relevant documentation outside the agreed export limits for the twelve-month period beginning 1 November 1978 without endorsed export licences and certificates of origin, provided that these exports are covered either by irrevocable letters of credit or payment provisions by Austrian importers before 15 September 1978 and that customs clearance in Austria is effected on 21 December 1978 at the latest.

(7) The Federative Republic of Brazil will provide Austria on a monthly basis with information in respect of exports of the products specified in paragraph (1) above to Austria, showing: the names of the exporters; the category number of the items exported; the numbers and dates of export licences and certificates of origin; the respective quantities covered by these documents as well as the respective dates of shipment.

(8) Austria will provide the Federative Republic of Brazil with information concerning import licences issued within the agreed export limits upon presentation of export licences and certificates of origin indicated in paragraph (3) above, on a monthly and cumulative basis.

(9) As regards:

- (a) Bed linen of cotton, CCCN No. ex 62.02 and
- (b) Kitchen linen of cotton, CCCN No. ex 62.02,

Austria will automatically issue import licences. The Federative Republic of Brazil accepts to enter into consultations with Austria upon request of the latter if exports of such products develop in a manner which, in the view of Austria, causes real risks of market disruption, with a view to reaching an agreement on mutually acceptable terms. The request for such consultations shall be accompanied by a statement containing relevant data on market conditions which, in the view of Austria, make necessary the aforementioned request for consultations. If no agreement is reached, an import limit may be applied which shall not be lower than the respective imports into Austria for retention during the twelve-month period ending thirty days before the date of the request for consultations.

(10) Austria and the Federative Republic of Brazil agree to consult, upon request of either party, on any question arising from the application of this agreement. Any consultations held under this paragraph shall be approached by both parties in a spirit of cooperation and with the object of reconciling any differences between them.

(11) The attached ANNEX concerning the question of circumvention is an integral part of this agreement.

I should be grateful if you would confirm that this note sets out correctly the understanding reached between the delegations of our two countries.

Accept, Excellency, the assurances of my highest consideration.

I wish to confirm that the foregoing letter sets out correctly the understanding reached between the representatives of our two countries.

(signed) Paulo Cabral de Mello
Ambassador

Dr. Rudolf Willenpart
Director
Federal Ministry for
Trade, Commerce and Industry
1011 Vienna

ANNEX

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