

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

CCM.TEX/SB/470
2 November 1979

Special Distribution

Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification Under Article 4

Bilateral Agreement Between Finland and Malaysia

The Textiles Surveillance Body has received from Finland a notification of a bilateral agreement which has been concluded under Article 4 of the Arrangement between Finland and Malaysia, concerning trade in men's and boys' shirts of cotton and man-made fibres.

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 the participating countries.²

¹See CCM.TEX/SB/35, Annex B.

²For observations of the TSB see CCM.TEX/SB/477, paragraph 18.

MEMORANDUM OF UNDERSTANDING

During the consultations held in Kuala Lumpur on January 24, 1979, between a delegation from Finland and a delegation from Malaysia and having regard to the Arrangement Regarding International Trade in Textiles, agreement was reached as follows:

1. Malaysia agrees to voluntarily restrain its exports of the textile products specified in Annex I during the period of 1 March 1979 to 31 December 1981 to the limits set out in Annex I. The growth rate shall be 1 (one) per cent per annum.

2. Finland shall for the purpose of these arrangements automatically admit imports of the textile products of Malaysian origin set out in annex I to the agreed limits, provided that such imports into Finland are covered by export authorization and certificates of origin. The export authorization shall be endorsed to the effect that the consignments concerned have been debited to the agreed export restraint limits.

3. Shipments effected before 1 March 1979, from Malaysia shall not be debited against the limits agreed for exports to Finland, and the import licenses will be issued automatically without delay by the Finnish Government.

4. If the information available to the Finnish authorities through the import surveillance system shows that the quantitative limits of the products specified in Annex I have already been reached or the unused portion of those limits are insufficient to cover the goods specified in the export authorization the Finnish authorities may, subject to the provisions of Article 3 and 6, refuse to admit the imports of such products for any quantity in excess of the quantitative limits set out in Annex I. In such a case the Finnish authorities shall immediately inform the authorities of Malaysia.

5. Carry-over and carry forward taken together shall not exceed 10 (ten) per cent, of which carry forward shall not represent more than 5 (five) per cent.

6. Finland and Malaysia agree to consult each other, at the request of either party, on any matter arising from the implementation of these arrangements.

7. Malaysia will forward to Finland quarterly statistics on a cumulative basis of the quantity of the textile products for which certificates for export to Finland have been issued. Finland will forward to Malaysia quarterly statistics on a cumulative basis of imports from Malaysia of the textile products set out in Annex I.

8. Malaysia shall endeavour to ensure that exports of the textile products subject to quantitative limits are spaced out as evenly as possible over the year, due account being taken, in particular, of seasonal factors.

9. The Annexes to this Memorandum of Understanding shall form an integral part thereof.

10. Either party may at any time terminate these arrangements provided that at least ninety days' notice is given, in which event the arrangements shall come to an end at the expiry of the ninety day period.

Done in Kuala Lumpur on January 25, 1979.

Pertti A. O. Kärkkäinen

Head of the Delegation of Finland

Abmad bin Sa'adi

Head of the Delegation of Malaysia

ANNEX I

(a) Finnish tariff classification No.	(b) Description	(c) Unit of quantity	(d)			(e) Con- version Factor (Square yards equivalent per dozen)
			1. 3. 1979— 31. 12. 1979	31. 12. 1980 1. 1. 1980—	1. 1. 1981— 31. 12. 1981	
61.03.102 103 105 106 109	Men's and boy's shirts of cotton and man-made fibres.	Pieces	52.000	55.000	55.550	26 sq.yd/doz