

RESTRICTED

COM.TEX/SB/604

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# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Textiles Surveillance Body

Original: English

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Article 4 Notification

#### Amendment to the Bilateral Agreement between the EEC and Brazil

The Textiles Surveillance Body has received from the EEC a notification of a further amendment to its existing bilateral agreement, concluded under Article 4<sup>1/</sup> of the Arrangement, between the EEC and Brazil concerning trade in textiles.<sup>1/</sup>

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4<sup>2/</sup>, has examined the relevant documentation and is circulating the text of this amendment to the participating countries.<sup>3/</sup>

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<sup>1/</sup> For original agreement and previous amendment, see COM.TEX/SB/404, 482 and 554.

<sup>2/</sup> See COM.TEX/SB/35, Annex B.

<sup>3/</sup> See COM.TEX/SB/604, paragraphs 11 to 13 for the observations of the TSB.

AGREED MINUTE

Following a request from the Community consultations were held with Brazil on behalf of one Community region - the Benelux, concerning imports of Category 26 originating in Brazil.

PRESENT

	<u>Title/Position</u>
<u>Brazil Delegation</u>	
Mr. Alves de SOUZA	Co-Chairman
Mr. Marques PORTO	Counsellor (Mission Brazil)
<u>Commission</u>	
Mr. M.G. BEVAN	Co-Chairman
Mr. A. LUCACCIONI	DG I-E-1
<u>Member States</u>	
<u>Holland</u>	
Mr. Wim KEIZER	Ministry of Economic Affairs
<u>Belgium</u>	
Mr. Dirk LAUREYSENS	Ministry of Economy
François HUBERT	Ministry of External Commerce
<u>Italy</u>	
Manlio CONDEMI DE FELICE	Ministry of Foreign Affairs

1. The Community referred to the fact that imports of this category had reached 314,000 after the first 8 months of 1979 - a figure almost six times the exit level specified in Article 6 of the Bilateral Agreement. In the period June to August 1979, recorded imports had in fact trebled and the request for consultations made on November 14 1979 had requested a suspension of exports.
2. Brazil made two procedural objections :
  - (i) as stated in Notes No. 7 of 24 April 1979 and No. 27 of 4 December 1979, Brazil considered that the late delivery of

import statistics provided for in Article 6 paragraph 10 of the Bilateral vitiated the operation of Article 6, and

(ii) that the Community had not stated an economic case showing that Brazilian exports created market disruption in the Benelux, and consequently was in breach of the provisions of Article 12 of the Bilateral.

3. The Community confirmed its opinion that, as expressed in Nos. No. 4252 of 21 May 1979 and No. 10393 of 13 December 1979, Article 6 was in full operation for the purpose of these consultations and that the statement of import figures contained in Note No. 9500 of 14 November satisfied the requirements of Article 12.
4. Nevertheless in a spirit of cooperation Brazil agreed ad referendum to limit exports to the Benelux of Category 26 as follows :-

<u>1980</u>	<u>1981</u>	<u>1982</u>
365,000	383,000	402,000

5. The heads of delegation agreed ad referendum that double-checking, and other provisions of the bilateral relevant to products subject to quota, would apply to trade in this product with effect from 1 January 1980.



ALVES DE SOUZA  
Head of Delegation,  
Federal Republic of Brazil



M.G. BEVAN  
Head of Delegation,  
European Economic  
Community

Brussels, 19 December 1979