

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/771

4 June 1982

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension of Agreement between Austria and Hong Kong

The Textiles Surveillance Body has received a notification from Austria concerning the extension of its bilateral agreement with Hong Kong for a one-year period from 1 February 1982 until 31 January 1983.^{1/}

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

^{1/} Previous arrangements and agreements with Hong Kong, taken under the provisions of MFA II, are contained in COM.TEX/SB/323, 417, 544 and 694.

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

MEMORANDUM OF UNDERSTANDING

1. Having examined the current pattern and development of trade in certain textile products exported from Hong Kong to Austria, Hong Kong and Austria agree that an export authorisation system shall be introduced for the period 1 February 1982 to 31 January 1983 in respect of the products listed in the Annex to this Memorandum.
2. Hong Kong shall require all exports to Austria of the products listed in the Annex to be covered by export authorisations issued by the Hong Kong Trade Industry and Customs Department. An export authorisation shall be issued only on evidence of a firm contract for the supply of the products involved and shall be valid for up to 6 months from the date of issue.
3. Export licences to ship products covered by an export authorisation will be issued by Hong Kong on presentation of the relevant export authorisation within the latter's validity period. An export licence shall be valid for 28 days from the date of issue. Hong Kong shall not issue export licences in respect of exports to Austria of products listed in the Annex which are not covered by a valid export authorisation.
4. Hong Kong shall provide Austria with half-monthly statistical returns showing the quantities covered by export authorisations issued to Hong Kong exporters in respect of the products listed in the Annex. Hong Kong agrees to notify Austria immediately upon receipt of any applications for export authorizations in exceptionally large amounts in a particular product.
5. Austria shall admit imports of the textile products of Hong Kong origin listed in the Annex where such imports are accompanied by a copy of an export licence issued by the Hong Kong Trade Industry and Customs Department.
6. If, in the opinion of Austria, the Austrian market is being disrupted in terms of the definition of market disruption in Annex A of the Arrangement Regarding International Trade in Textiles, by imports from Hong Kong of any product covered by this system, Austria may request consultations under the provisions of the Arrangement Regarding International Trade in Textiles.
7. A request for consultations shall be supported as soon as possible, and in any case within 14 days of the date of the request, by a factual statement of the reasons and justification for the request, including the latest data concerning elements of market disruption.
8. Austria and Hong Kong, unless otherwise agreed, shall consult as soon as possible within 30 days of the request for such consultations and shall make their best efforts to complete such consultations within 30 days of the commencement.

9. Pending the completion of consultations, Austria may request Hong Kong to limit, during the period covered by this Memorandum, the issue of export authorizations of the product concerned to a level not less than the highest of:

- a) the level of the export authorizations issued for the product concerned in the immediate preceding period increased by 10%;
- b) the average of the level of export authorizations issued for the product concerned in the preceding periods since February 1, 1978, increased by 10%;
- c) the level of export authorizations issued since the commencement of the period in which the request for consultations is made, increased by 10%.

Hong Kong agrees that it will honour such a request.

10. A "period" for this purpose shall be 1 February to 31 January.

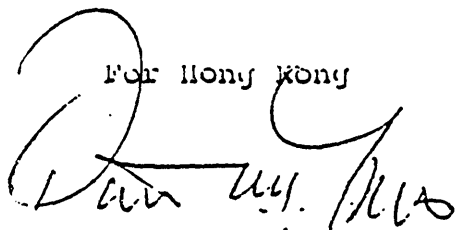
11. In the event that consultations do not result in agreement, Austria shall have the right to request Hong Kong to limit exports to Austria of the products concerned during the period covered by this Memorandum to a level not less than that calculated according to the formula set out in paragraph 9 above. Hong Kong agrees that it will honour such a request.

12. Austria and Hong Kong agree that these provisions shall not derogate from the rights of Austria and Hong Kong under the Arrangement Regarding International Trade in Textiles.

13. Hong Kong and Austria agree to consult, at the request of either party, on any matter arising from the implementation of this system.


14. The Annex to this Memorandum shall be an integral part of it.

For Hong Kong



P.K.Y. Tsao
Acting Director of Trade
Industry and Customs
Hong Kong, 1 December 1981

For Austria



Dr. Gerhard Waus
Director

Federal Ministry for Trade,
Commerce and Industry
Vienna, 25 November 1981

ANNEX I

Item No.	Austrian Statistical Classification No.	Hong Kong Statistical Classification No.		Description
(3)	ex 61.01 23 ex 61.01 25 ex 61.01 29 61.01 71 61.01 73 61.01 75	ex 842 411 ex 842 412 ex 842 421	ex 842 422 ex 842 431 ex 842 432	Jackets, including anoraks and blazers, not knitted or crocheted, wholly or mainly of cotton, of wool or of man-made fibres, men's and boys' wear.
(4)	ex 61.01 33 ex 61.01 35	ex 842 191 ex 842 192 ex 842 193 ex 842 194 842 932 842 933 842 934	842 935 842 942 842 943 842 944 842 945	Coats, including raincoats but excluding capes and gowns not knitted or crocheted, wholly or mainly of cotton or of man-made fibres, men's and boys' wear
(6)	61.01 41 61.01 43 61.01 45	ex 842 211 ex 842 212 ex 842 221	ex 842 222 ex 842 231 ex 842 232	Suits, not knitted or crocheted, wholly or mainly of cotton, of wool or of man-made fibres, men's and boys' wear.
(7)	ex 61.03 11 ex 61.03 19 ex 61.03 21 ex 61.03 29	ex 844 213 ex 844 214 ex 844 223	ex 844 224 ex 844 297 ex 844 298	Pyjamas and night-shirts, not knitted or crocheted, wholly or mainly of cotton or of man-made fibres, men's and boys' wear.
(9)	61.02 51 61.02 71 61.02 73	843 311 843 312 843 411 843 412 843 431 843 432	ex 843 930 ex 843 970	Dresses, not knitted or crocheted, of wool; skirts, not knitted or crocheted of wool or of man-made fibres, women's girls' and infants' wear.
(10)	ex 61.02 33 ex 61.02 35	ex 843 121 ex 843 122 ex 843 131 ex 843 132 843 943 843 944 843 945	843 946 ex 843 950 ex 843 957 843 963 843 964 843 965 843 966 ex 843 970 ex 843 977	Coats, including raincoats but excluding capes and gowns not knitted or crocheted, wholly or mainly of cotton or of man-made fibres, women's, girls' and infants' wear.

Item No.	Austrian Statistical Classification No.	Hong Kong Statistical Classification No.	Description
(11)	61.02 43 61.02 45	ex 843 221 ex 843 232 ex 843 222 843 234 843 224 843 235 843 225 ex 843 957 ex 843 231 ex 843 977	Costumes and trouser suits, including two- or three-piece suits, not knitted or crocheted, wholly or mainly of cotton or of man-made fibres, women's girls' and infants' wear.
(12)	ex 61.02 31 ex 61.02 33 ex 61.02 35	ex 843 111 ex 843 132 ex 843 112 ex 843 937 ex 843 121 ex 843 957 ex 843 122 ex 843 977 ex 843 131	Jackets, not knitted or crocheted, wholly or mainly of cotton, of wool or of man-made fibres, women's girls' and infants' wear.
(13)	ex 60.04 49	ex 846 272 ex 846 273 ex 846 276 ex 846 277 ex 846 292	Briefs, drawers, panties, undershorts, and the like, knitted or crocheted, wholly or mainly of cotton.
(14)	ex 60.04 49 60.04 21	846 211 846 321 846 212 846 322	Shirts, knitted or crocheted, wholly or mainly of cotton, or of synthetic fibres, men's and boys' wear.
	ex 60.05 31 ex 60.05 33 ex 60.05 61 ex 60.05 63 ex 60.05 81 ex 60.05 83	845 930 ex 845 937 845 950 ex 845 957	Blouses, knitted or crocheted, wholly or mainly of cotton or of synthetic fibres, women's, girls' and infants' wear.
	ex 60.04 49	ex 846 282 ex 846 283 ex 846 286 ex 846 287 ex 846 292	Singlets and undershirts, including underwear T-shirts, knitted or crocheted, wholly or mainly of cotton, men's, boys' women's, girls' and infants' wear.
(15)	ex 60.04 28 ex 60.04 49	846 284 846 344 846 285 ex 846 345 846 290 846 291 ex 846 292 846 333 846 334 846 343	Pyjamas and other night garments, knitted or crocheted, wholly or mainly of cotton or of synthetic fibres.

Item No.	Austrian Statistical Classification No.	Hong Kong Statistical Classification No.	Description	
(16)	ex 60.05 31 ex 60.05 32 ex 60.05 33 ex 60.05 61 ex 60.05 62 ex 60.05 63 ex 60.05 81 ex 60.05 82 ex 60.05 83	ex 845 111 ex 845 112 ex 845 113 ex 845 114 ex 845 115 ex 845 121 ex 845 122 ex 845 123 ex 845 124 ex 845 125	ex 845 131 ex 845 132 ex 845 133 ex 845 134 ex 845 135	Jackets, sweaters, cardigans, pullovers and jumpers, knitted or crocheted, wholly or mainly of cotton, of wool or of synthetic fibres.
(17)	ex 60.05 32 ex 60.05 33 ex 60.05 61 ex 60.05 62 ex 60.05 63 ex 60.05 81 ex 60.05 82 ex 60.05 83	ex 845 211 ex 845 212 ex 845 218 ex 845 221 ex 845 222 ex 845 228		Dresses, knitted or crocheted, wholly or mainly of cotton or of wool.
(18)	ex 60.05 31 ex 60.05 32 ex 60.05 33 ex 60.05 61 ex 60.05 62 ex 60.05 63 ex 60.05 81 ex 60.05 82 ex 60.05 83	845 906 845 907 845 913 845 914 ex 845 917 845 926 845 927 845 933 845 934 ex 845 937	845 946 845 947 845 953 845 954 ex 845 957	Slacks, shorts, jeans and trousers, knitted or crocheted, wholly or mainly of cotton, of wool or of synthetic fibres.
(5)	ex 61.01 23 ex 61.01 25	ex 842 321 ex 842 322 ex 842 331 ex 842 332 ex 842 938 ex 842 939	ex 842 948 ex 842 949 842 936 842 937 842 946 842 947	Gymnastic pants, ski-jackets, ski-vests and swimwear, not knitted or crocheted, wholly or mainly of cotton or of man-made fibres, men's and boys' wear.

Underwear T-shirts are single-coloured, not patterned nor printed T-shirts. Multi-coloured, patterned or printed T-shirts which are packed and shipped together with matching briefs as sets of underwear are considered as underwear T-shirts.

MEMORANDUM OF UNDERSTANDING

Introduction

1. This Memorandum of Understanding sets out the arrangements that have been agreed between Hong Kong and Austria regarding Hong Kong's exports of certain textile products to Austria.
2. These arrangements have been made having regard to the Arrangement Regarding International Trade in Textiles and in particular to Article 4 thereof.

Coverage

3. These arrangements shall apply to Hong Kong's exports to Austria of the textile products set out in column (d) of Annex I to this Memorandum.

Restraint Period

4. Hong Kong shall restrict exports of the products set out in column (d) to the limits set out in column (e) for the periods set out in column (f) of Annex I, save as provided for in paragraphs 7 to 12 below.
5. For the purposes of these arrangements, Austria shall admit imports of the textile products of Hong Kong origin set out in Annex I only where such imports are covered by export licences issued by the Hong Kong Trade Industry and Customs Department within the restraint periods set out in column (f) and endorsed to the effect that the consignments concerned have been debited to the agreed limits.
6. Furthermore, Austria shall admit imports of the textile products of Hong Kong origin set out in Annex I where such imports are covered by export licences issued by the Hong Kong Trade Industry and Customs Department on or before 31 January 1982, under the terms of the Memorandum of Understanding regarding restrained items between Hong Kong and Austria signed in Vienna on 16 December 1980 and in Hong Kong on 30 December 1980.

Swing

7. The limits in column (e) of Annex I may be increased during the restraint period by up to five per cent provided that a corresponding reduction is applied to the limits for other products.
8. For the purposes of calculating such corresponding reductions, the conversion factors listed in column (g) of Annex I shall apply.

Carryover and Carryforward

9. If in the previous restraint period terminating on 31 January 1982 exports from Hong Kong to Austria of any product as set out in Annex I to the Memorandum of Understanding regarding restrained items between Hong Kong and Austria, signed in Vienna on 16 December 1980 and in Hong Kong on 30 December 1980, are less than the limits as set out in column (e) of Annex I thereto, Hong Kong may, after consultation with Austria, during the period 1 February 1982 to 31 January 1983 approve the export of additional amounts equivalent to such shortfalls provided, that such exports:

- (i) are in the same products where the shortfalls occurred; and
- (ii) do not exceed 10 per cent of the annual restraint limit of these products specified in that Memorandum.

10. If in the previous restraint period terminating on 31 January 1982 exports from Hong Kong to Austria of any product as set out in Annex I to the Memorandum of Understanding regarding restrained items between Hong Kong and Austria, signed in Vienna on 16 December 1980 and in Hong Kong on 30 December 1980, should exceed the limit as set out in Annex I thereto, up to 5% in accordance with the provision of paragraph 12 of that Memorandum, Hong Kong shall inform Austria of the carry forward quantities and debit these to the corresponding limit for the period 1 February 1982 to 31 January 1983 as set out in column (e) of Annex I to this Memorandum.

11. Should these arrangements be continued for a further period, the carryover and carry forward provisions set out in Annex B of the Arrangement Regarding International Trade in Textiles shall apply.

Re-exports

12. Austria will, as far as possible, inform Hong Kong when imports into Austria of the textile products set out in Annex I that have been debited to the agreed limits are subsequently re-exported from Austria. Hong Kong may then credit the quantities involved to the appropriate limits. To this end an administrative arrangement has been agreed between Austria and Hong Kong as set out in Annex II.

Exchange of Statistics

13. Hong Kong will provide Austria with half-monthly statistics of the textile products set out in Annex I licensed for export to Austria and debited to the limits set out in column (e) of Annex I.

14. Austria will provide Hong Kong with quarterly statistics of total imports and of imports from Hong Kong and from other significant suppliers of each of the textile products set out in Annex I.

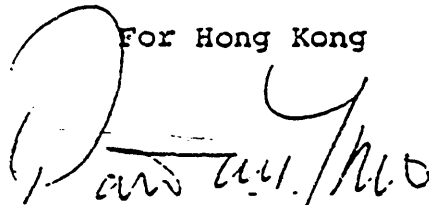
Consultations

15. Austria and Hong Kong agree to consult, at the request of either party, on any matter arising from the implementation of these arrangements.

16. If Hong Kong considers that, as a result of the restraint imposed by these arrangements, Hong Kong is being placed in an inequitable position vis-a-vis another supplier, Hong Kong may request Austria to consult with a view to remedial action such as a reasonable modification of these arrangements.

Annexes

17. Annexes I and II hereof shall be an integral part of this Memorandum.

For Hong Kong


P.K.Y. Tsao
Acting Director of Trade
Industry and Customs
Hong Kong, 1 December 1981

For Austria

Dr. Gerhard Waas
Director

Federal Ministry for Trade,
Commerce and Industry
Vienna, 25 November 1981

ANNEX I

(a) Item No.	(b) Austrian Statistical Classification No.	(c) Hong Kong Statistical Classification No.	(d) Description	(e) Limit in pieces	(f) Period of limitation on exports	(g) Conversion factors for swing purposes (pieces per kilo-gram)
1	ex 61.03 11 ex 61.03 21	844 111 844 112 ex 844 121 ex 844 122	Shirts, not knitted or crocheted, wholly or mainly of cotton or of discontinuous synthetic fibres	1,071,714	1 February 1982 to 31 January 1983	5.00
2	61.02 63 61.02 65	843 511 843 512 843 521 843 522 ex 843 957 ex 843 977	Blouses, not knitted or crocheted, wholly or mainly of cotton or of man-made fibres, women's girls' and infants' wear	1,008,148	1 February 1982 to 31 January 1983	5.00
3	61.01 53 61.01 55 61.02 83 61.02 85	ex 842 321 ex 842 322 ex 842 331 ex 842 332 ex 843 421 ex 843 422 ex 843 431 ex 843 432 843 947 843 948 ex 843 950 ex 843 957 843 967 843 968 ex 843 970 ex 843 977	Slacks, shorts, jeans, trousers and divided skirts, not knitted or crocheted, wholly or mainly of cotton or of man-made fibres	1,383,732	1 February 1982 to 31 January 1983	1.76

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Item No.	Austrian Statistical Classification No.	Hong Kong Statistical Classification No.	Description	Limit in pieces	Period of limitation on exports	Conversion factors for swing purposes (pieces per kilogram)
4	ex 60.05 31 61.02 53 61.02 55 61.02 75	843 321 843 322 843 331 843 332 843 421 843 422 ex 843 950 ex 843 970 ex 845 231 ex 845 232 ex 845 238	Dresses, knitted or crocheted, of synthetic fibres; dresses, not knitted or crocheted, of cotton or man-made fibres; skirts, not knitted or crocheted, of cotton, women's girls' and infants' wear.	528,479	1 February 1982 to 31 January 1983	3.10

ANNEX II

Notwithstanding the provisions of paragraph 5 and in furtherance of paragraph 12, Austria and Hong Kong agree the following administrative arrangement:

- (a) For presentation to Austria in support of an application for a corresponding import licence, an export licence ceases to be valid upon the expiration of one hundred and twenty days from the date of issue of the export licence. All export licences covering restrained items will be endorsed to this effect;
- (b) Austria will provide Hong Kong at monthly intervals with a list of export licences which have been presented to Austria in support of applications for import licences indicating the quantity covered by each corresponding import licence issued; and
- (c) In respect of export licences of which the validity of one hundred and twenty days referred to in (a) above has expired and which are not shown on the lists of export licences provided by Austria pursuant to (b) above, Hong Kong will notify Austria, as soon as possible, the numbers of such export licences and the quantity covered by each export licence with an indication that the quantities will be credited back to Hong Kong for re-use if nothing is heard from Austria within three weeks from the date of such notification.