

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/781

3 August 1982

Special Distribution

Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Finland and Macao

The Textiles Surveillance Body has received from Finland a notification concerning the conclusion, under Article 4 of the Arrangement, of a new bilateral agreement with Macao valid in respect of products newly brought under restraint, from 1 May 1982 to 31 December 1986, and in respect of other products, from 1 July 1982 to 31 December 1986.^{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 agreement to participants for their information.

^{1/} The previous agreement between Finland and Macao, and a subsequent amendment, are contained in COM.TEX/SB/370 and 615.

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

MEMORANDUM OF UNDERSTANDING

During the consultations held in Macau on 23rd April 1982 between a delegation from Finland and a delegation from Macau and having regard to the Arrangement Regarding International Trade in Textiles, in particular Article 4, and to the Protocol extending the said Arrangement dated 22nd December 1981, agreement was reached as follows:

1. The following arrangements shall apply for the period of 1st July 1982 to 31st December 1986.
2. Macau agrees to voluntarily restrain the exports to Finland of the textile products specified in Annex I to the limits set out in that Annex.
3. Finland will for the purpose of the present arrangements admit imports of the textile products of Macau origin set out in Annex I to the agreed limits, provided that such imports into Finland are covered by an export authorization and a certificate of origin, as per specimen at Annex III. The export authorization shall bear an endorsement by competent officials to the effect that the consignment concerned has been debited to the agreed levels for exports to Finland for the relevant period. The date of shipment indicated on the export licence shall be considered to be the date of exportation.
4. If the information available to the Finnish authorities through the import surveillance system shows that the quantitative limits for the products specified in Annex I have already been reached or that the unused balances of those limits are insufficient to cover the goods specified in the export authorization(s), the Finnish authorities may, subject to the provisions of Articles 5 and 6, refuse to admit 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 Macau authorities.

5. Exports may exceed the limits in between categories I, II and V in Annex I by five (5) per cent and between categories III and IV by five (5) per cent, provided that a corresponding reduction is applied to the other limits. For the purpose of calculating such a reduction the conversion factors listed in Annex I shall apply.
6. Carry-over and carry forward taken together shall not exceed ten (10) per cent, of which carry forward shall not represent more than five (5) per cent.
7. Macau 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.
8. Imports of textile products specified in Annex II from Macau to Finland shall be subject to administrative control.

In respect of these products Finland will automatically issue import licenses upon the presentation of export licenses issued by the competent Macau authorities.

Finland may request consultations with Macau with a view to reaching a mutually acceptable solution for the imports of these products when limitations on trade in such products may be necessary to eliminate real risks of market disruption.

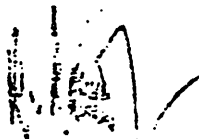
The Parties shall enter into consultations as soon as possible with a view to reaching agreement within two months at the latest.

Pending a mutually acceptable solution Finland shall have the right to introduce a quantitative limit at an annual level not lower than that reached by imports of the product in question in the twelve-month period terminating two months preceding the month in which the request for consultations was made.

9. Finland and Macau agree to consult together, at the request of either party on any matter arising from the implementation of these arrangements.
10. Macau will forward to Finland monthly statistics on a cumulative basis on the textile products for which authorizations for export to Finland have been issued. Finland will forward to Macau monthly statistics on a cumulative basis on imports from Macau of the said products.
11. Either Party may at any time terminate these arrangements provided that at least sixty days' notice is given, in which event the arrangements shall come to an end at the expiry of the sixty day period.
12. The Annexes to this Memorandum of Understanding shall form an integral part thereof.

Done in Macau on the 23rd day of April in the year 1982.

For the Government
of Finland



Risto Rännäli

For the Government
of Macau



João António Morais Costa Pinto

ANNEX I

(a) <u>Finnish tariff classification No</u>	(b) <u>Description</u>	(c) <u>Unit of quantity</u>	(d) 1.5.82-31.12.82 1.7.82-31.12.82 1.1.83-31.12.86 (Annual growth rate)		(e) <u>Conversion Factor (square yards equivalent per dozen)</u>
AT-I 60.04.722 723 725 729	Men's and boys' knitted briefs, drawers, undershorts and the like, made of cotton or man-made fibres.	Pieces	104.667 (notional annual level 157.000)	2,0%	9 sq.yd/ doz.
AT-II 60.04.822 823 825 829	Women's and girls' knitted briefs, drawers pantsies, undershorts and the like made of cotton or man-made fibres	Pieces	(Annual Level 200.836)	1,0%	9 sq.yd/ doz.
AT-III 61.02.502 505 506 509	Women's and girls' blouses of cotton and man-made fibres	Pieces	(Annual Level 290.516)	1,0%	20 sq.yd/ doz.
AT-IV 61.03.102 103 105 106 109	Men's and boys' shirts of cotton and man-made fibres	Pieces	(Annual Level 26.788)	1,0%	25 sq.yd/ doz.
AT-V 61.09.201	Brasserie, ready made	Pieces	(notional annual level 75.000)	2,5%	4,8 sq.yd/ doz.

Products subject to administrative control according to paragraph 8 of the agreement.

<u>Finnish Tariff</u> <u>Classification</u> <u>Number</u>	<u>Product</u> <u>Description</u>
60.04.124 135 155	Jumpers, sweaters, cardigans, pullovers blouses and shirts, (including T-shirts, singlets and under-shirts), knitted or crocheted, wholly or mainly by weight of cotton, men's and boys', women's and girls' and infants' wear.
60.05.315 355 365	
60.04.121 128 132 133 136 137 152 153 156 157	
60.05.312 313 316 317	

Finnish Tariff
Classification
Number

Product
Description

352	boy's, women's and
353	girls' and infants'
356	wear.
357	
362	
363	
366	
367	
61.01.405	Men's and boys' jackets,
406	blazers and the like of cotton and of disconti- nuous man-made fibres.
61.01.505	Men's and boy's trousers
506	of cotton and discontinuous man-made fibres.
61.02.605	Women's, girls' and infants'
606	trousers of cotton and of discontinuous man-made fi- bres.