

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/831

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Textiles Surveillance Body

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## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4:4

#### Bilateral Agreement between Finland and Malaysia

The Textiles Surveillance Body has received from Finland a notification of a new bilateral agreement with Malaysia, concluded under Article 4 of the MFA, valid for the period 1 January 1983-31 July 1986.<sup>1</sup>

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4<sup>2</sup>, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.<sup>3</sup>

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<sup>1</sup>The previous bilateral agreement is contained in COM.TEX/SB/470.

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

<sup>3</sup>See COM.TEX/SB/835, paragraph 8.

MEMORANDUM OF UNDERSTANDING

The Government of Finland and the Government of Malaysia have agreed, with regard to the Arrangement Regarding International Trade in Textiles, in particular Article 4 thereof, and the Protocol Extending the said Arrangement, dated 22nd December 1981, about following arrangements concerning exports of certain textile products from Malaysia into Finland:

1. Exports of men's and boys' woven shirts of cotton and man-made fibres (Finnish Tariff Classification 61.03.102-109) shall be subject to a system of administrative control.

In respect of these products Finland will automatically issue import licenses upon the presentation of export licenses (see sample in Appendix I) issued by the competent Malaysian authorities.

When the Finnish authorities find that import licenses for these products have been issued to unusually large amounts that would make limitations of further trade necessary in order to eliminate real risks of market disruption, Finland may request consultations with a view to reaching agreement on an appropriate restraint level for these products.

In judging what constitutes unusually large amounts of licenses the Finnish authorities will have regard to recent levels of trade and, in particular, to the limits set out in the Memorandum of Understanding signed between Finland and Malaysia on 25th January 1979 that expired on 1st January, 1982.

The Parties shall enter into consultations with a view to reaching agreement within two months at the latest of the date on which the request for consultations was made.

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.

2. Finland and Malaysia agree to consult each other, at the request of either party, on any matter arising from the implementation of these arrangements.
3. Malaysia will forward to Finland monthly statistics on a cumulative basis of the quantity of the products for which licenses for export to Finland have been issued. Finland will forward to Malaysia monthly statistics on a cumulative basis of imports from Malaysia of the said products.
4. Malaysia shall endeavour to ensure that exports of these products are spaced out as evenly as possible over the year, due account being taken, in particular, of seasonal factors.
5. These arrangements shall apply for the period of 1st January 1982 to 31st July 1986.
6. Either party may at any time terminate these arrangements provided that at least ninety day's 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 29th of April 1982

For the Government  
of Finland

For the Government  
of Malaysia

