

RESTRICTED

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GENERAL AGREEMENT ON TARIFFS AND TRADE

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Articles 7 and 8

Bilateral Agreement between Finland and China

The Textiles Surveillance Body has received from Finland a notification under Articles 7 and 8 of the MFA, of a new bilateral agreement concluded with the People's Republic of China, valid for the period 1 January 1983 to 31 December 1986.

This notification has been made in accordance with the request by the Textiles Committee that agreements concluded with countries, non-participants in the Arrangement, should be notified.

The TSB is circulating the agreement to participating countries for their information.

AGREEMENT

relating to trade in textile products between
the Republic of Finland and the People's
Republic of China

The Delegation of the Republic of Finland and the Delegation of the People's Republic of China have, with a view to ensuring an orderly and equitable development of the trade in textiles and textile products, agreed to enter into the following agreement (hereinafter referred to as "the Agreement"):

1. Without prejudice to the rights and obligations under the Long-Term-Trade Agreement between the Government of the Republic of Finland and the Government of the People's Republic of China, the conduct of their mutual trade in textiles and textile products made of cotton, wool and man-made fibres shall be governed by the provisions of this Agreement.

2. Subject to the provisions of this Agreement, Finland undertakes to suspend, for the duration of this Agreement, the application on imports of textiles and textile products from China of quantitative restrictions currently in force and not to introduce new quantitative restrictions.

3. This Agreement shall apply for the period of four years, from January 1, 1983 to December 31, 1986.

4. China agrees that for the textile products specified in Annex I to this Agreement, China shall, for the duration of this Agreement, restrain its exports to Finland to the quantitative limits as set out in that Annex.

5. Finland shall admit imports of the textiles and textile products of the Chinese origin set out in Annex I to the agreed limits provided that such imports into Finland are covered by an export license as per specimen in Annex II, issued by the Chinese Authorities listed in Annex III. The export license shall

bear an endorsement by competent officials to the effect that the consignment concerned has been debited to the agreed levels for export to Finland for the relevant period. If the consignment concerned is for re-export or for inward processing and subsequently re-export outside Finland, such consignment shall not be debited to the agreed levels. The date of shipment indicated on the shipping documents shall be considered to be the date of exportation.

6. China shall endeavour to space out as evenly as possible the exports of the textile products subject to quantitative limits, due account being taken, in particular, of seasonal factors. If the information available to the Finnish Authorities 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 license, the Finnish Authorities may suspend or postpone the admittance of imports of such products for quantities in excess of the quantitative limits set out in Annex I, subject to the provisions of Articles 8 and 9 below. In such a case the Finnish Authorities shall immediately inform the Chinese Authorities of their decision, and consult each other as soon as possible to seek a solution.

7. The description and identification of the products covered by this Agreement are based on the Nomenclature of the Customs Co-operation Council (CCCN) and the Finnish Customs Tariff.

8. In any restraint period advance use (carry-forward) of a portion of the quantitative limits established for the following restraint period is authorized for each category of products up to 5 per cent of the quantitative limits for the current period. Such advance use shall be automatically applicable within the current restraint period. Amounts delivered in advance shall be deducted from the corresponding quantitative limits established for the following restraint period. Carry-over (of amounts not used during any restraint period) to the corresponding quantitative limits for the following restraint period is authorized up to 10 per cent of the quantitative limits for the following restraint period. Carry-over and carry-forward taken together shall not exceed 10 per cent, of which carry-forward shall not represent more than 5 per cent.

9. Transfers between categories I and VI are authorized up to 5 per cent of the quantitative limit for the category to which the transfer is made and transfers between categories VII and IX are authorized up to 5 per cent of the quantitative limit for the category to which the transfer is made, provided that a corresponding reduction is applied to the other categories. For the purpose of calculating such corresponding reductions, the conversion factors listed in Annex I to this Agreement shall apply.

10. With the exception of the products set out in Annex I, Finland shall automatically admit imports of textiles and textile products from China into Finland.

Should the Finnish Authorities find that imports of certain textiles or textile products from China to Finland, which are not specified in Annex I, have developed in a manner, which has caused or would cause disruptive effects on the Finnish market, Finland may request consultations with a view to reaching agreement within 90 days at the latest from the date of notification of the request on an appropriate restraint level for the products concerned.

The Finnish Authorities shall provide China, within 30 days from the notification, with detailed factual information to justify the request. Finland shall authorize imports of the products shipped from China before the date of the request for consultations.

In the course of consultations Finland and China shall make every effort to avoid measures which would have the effect of economic losses for either Contracting Party.

If no satisfactory solution is reached within the period prescribed above Finland shall have the right to introduce a quantitative limit at an annual level not lower than 106 per cent of the level reached by imports of the product in question in the twelve-month period terminating two months preceding the month in which the request for consultation was made.

The amount of products exported from China after the date of the request for consultations shall be deducted from any restraint level agreed or applied in accordance with this Article, unless otherwise agreed upon in the agreement to be reached after consultations.

11. The Finnish Authorities may refuse to admit imports of the textiles and textile pro-

ducts of Chinese origin referred to in Annex I if these products are imported from another source and and/or are not covered by export licenses issued by competent Chinese Authorities.

12. If the Chinese Authorities consider that, as a result of the limitations specified in this Agreement, China is being placed in an inequitable position vis-à-vis a third country, the Chinese Authorities may request consultations with the Finnish Authorities with a view of taking appropriate remedial action such as reasonable modification of this Agreement and the Finnish Authorities shall agree to hold such consultations.

13. Finland and China agree to consult together, at the request of either party, on any matter arising from the implementation of this Agreement. They furthermore agree to enter into consultations on possible extension or modification of the present arrangements.

14. China will forward to Finland quarterly statistics on a cumulative basis on textile products for which export licenses for export to Finland have been issued. Finland will forward to China quarterly statistics on a cumulative basis on imports of the said textile products.

15. The Annexes to this Agreement shall form an integral part thereof.

16. Done in Beijing in two copies on April 30, 1982 in the English and Chinese languages, both texts being equally authentic.

For the Delegation of the
Republic of Finland

Erik Hagfors

For the Delegation of the
People's Republic of China

Shen Jueren

Annex I

	Tariff Classification	Description	Unit of quantity	Restraint				Conversion factor (pairs, pieces/kg)
				1983	1984	1985	1986	
I	60.03	Stockings, understockings, socks, anklesocks, sockettes and the like, knitted or crocheted	Pairs	450 000	463 500	477 405	491 727	24,3
II	60.04	Undergarments, knitted or crocheted	Pieces	400 000	412 000	424 360	437 091	17
III	60.05	Outergarments, knitted or crocheted	Pieces	230 000	236 900	244 007	251 327	5
IV	62.02.115 —199	Bed linen	Metric Tons	90 (of which not more than 35 tons terry towels)	92,7 (36,1)	95,5 (37,2)	98,4 (38,3)	
V	62.02.210 —299	Table linen						
VI	62.02.311	Terry towels						
VII	61.01.505 506 61.02.605 606	Men's and boys', women's and girls' and infants' trousers of cotton and discontinuous man-made fibres	Pairs	530 000	540 600	551 412	562 440	1,76
VIII	61.02.502 —509	Women's, girls' and infants' blouses, of cotton and man-made fibres	Pieces	125 000	127 500	130 050	132 651	5,55
IX	61.03.102 —109	Men's and boys' woven shirts of cotton and man-made fibres	Pieces	150 000	151 500	153 015	154 545	4,6

Annex II

1 Exporter (name, full address, country)	ORIGINAL	2 No
	3 Quota year	4 Category number
5 Consignee (name, full address, country)	EXPORT LICENCE (Textile products)	
	6 Country of origin	7 Country of destination
8 Place and date of shipment - Means of transport	9 Supplementary details	
10 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS	11 Quantity	12 FOB Value
<p>13 CERTIFICATION BY THE COMPETENT AUTHORITY</p> <p>the undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No 3 in respect of the category shown in box No 4 by the provisions regulating trade in textile products with FINLAND.</p>		
14 Competent authority (name, full address, country)	At on	
	(Signature)	(Stamp)

Annex III

*List of Competent Authorities Issuing Export
Licences of Textiles and Textile Products*

1. Beijing Foreign Trade Bureau
2. Shanghai Foreign Trade Bureau
3. Tianjin Foreign Trade Bureau
4. Foreign Trade Bureau of Guangdong Province
5. Foreign Trade Bureau of Shandong Province
6. Foreign Trade Bureau of Hebei Province
7. Foreign Trade Bureau of Shanxi Province
8. Foreign Trade Bureau of Liaoning Province
9. Foreign Trade Bureau of Jilin Province
10. Foreign Trade Bureau of Heilongjiang Province
11. Foreign Trade Bureau of Jiangsu Province
12. Foreign Trade Bureau of Zhejiang Province
13. Foreign Trade Bureau of Anhui Province
14. Foreign Trade Bureau of Jiangxi Province
15. Foreign Trade Bureau of Fujian Province
16. Foreign Trade Bureau of Gansu Province
17. Foreign Trade Bureau of Xinjiang Uigher Autonomous Region
18. Foreign Trade Bureau of Henan Province
19. Foreign Trade Bureau of Hubei Province
20. Foreign Trade Bureau of Hunan Province
21. Foreign Trade Bureau of Guangxi Zhuang Autonomous Region
22. Foreign Trade Bureau of Yunnan Province