

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COT/104/Add.5
23 September 1970
Special Distribution

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Agreement between Australia and Hong Kong

Addendum

The following communication has been received by the Director-General from the Permanent Mission of Australia for notification to the Cotton Textiles Committee.

I have the honour to inform you that, following consultations between the Governments of Australia and Hong Kong regarding exports by Hong Kong of certain cotton fabrics to Australia, a Memorandum of Understanding was signed at Hong Kong on 29 July 1970.

A copy of the Memorandum of Understanding is attached.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding sets out the arrangements which have been agreed between the Governments of Australia and Hong Kong regarding the limit to be applied by the Government of Hong Kong to exports of one class of cotton fabrics to Australia.

2. The Governments of Australia and Hong Kong agree:

- (a) these arrangements are made under Article 3 of the Arrangement Regarding International Trade in Cotton Textiles;
- (b) these arrangements relate to domestic exports from Hong Kong of fabrics within the following description: ex-Hong Kong Export Statistical Classification number 652-255 - Drills, cotton, other than grey, of not less than 6 ounces by weight per square yard and not more than 15 ounces by weight per square yard;
- (c) these arrangements relate to the period 1 July 1970 to 30 June 1971.

3. The Hong Kong Government agrees that it will restrain exports of the fabric described in paragraph 2(b) above for the period described in paragraph 2(c) above to a limit of 1 million square yards.

4. During the twelve-month period, the limit prescribed by this Memorandum may be exceeded by an amount equal to the quantity by which shipments in the twelve-month period ending 30 June 1970 have fallen short of the limit set out in the Memorandum of Understanding signed between the Governments of Australia and Hong Kong on 24 July 1969 or by 10 per cent of that limit, whichever is the less.

5. The Governments of Australia and Hong Kong will provide to each other on request any available statistical data relevant to these arrangements.

6. The Governments of Australia and Hong Kong will enter into consultations on request about any matter arising from or related to these arrangements.

7. If the Hong Kong Government considers that, as a result of the restraint imposed by these arrangements, Hong Kong is being placed in an inequitable position vis-à-vis any third country, the Hong Kong Government may request the Government of Australia to consult with a view to appropriate remedial action such as a reasonable modification of these arrangements.

Signed at Hong Kong
29 July 1970