

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

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ARRANGEMENT REGARDING INTERNATIONAL  
TRADE IN COTTON TEXTILES

Agreement between India and Italy

Attached is the text of the Agreement concluded between the Governments of India and Italy concerning trade in cotton textiles.

The text of this Agreement has been transmitted to the Director-General by the Italian permanent mission for notification to the Cotton Textiles Committee.

AGREEMENT BETWEEN INDIA AND ITALY  
CONCERNING TRADE IN COTTON TEXTILES

The Government of India, on the one hand, and the Government of Italy on the other,

Desiring to ensure the orderly development of trade in cotton textiles between India and Italy in accordance with the provisions of the Long-Term Arrangement of Geneva Regarding International Trade in Cotton Textiles (hereinafter referred to as the Geneva Arrangement), entered into force on 1 October 1962 and extended until 1 October 1970, and in particular Article 4 thereof, which provides for the conclusion of mutually acceptable arrangement,

Have agreed upon the following provisions:

ARTICLE 1

Scope

This Agreement shall apply to cotton textiles originating in and despatched from India and listed in the Annex to this Agreement. Provided that no limitation shall be applied to transactions concerning hand-loom cotton fabrics if the said products are accompanied by a certificate issued by the competent authorities of India and recognized by the customs authorities of Italy.

ARTICLE 2

General Provisions

For the duration of this Agreement and by virtue of the provisions contained therein or annexed thereto, the Government of Italy undertakes not to introduce new quantitative restrictions and agrees not to invoke the provisions of Article 3 of the Geneva Arrangement as long as imports into the importing country of cotton textiles originating in and despatched from India do not exceed the quantities agreed upon.

The Government of India undertakes to take the appropriate measures, especially when so requested by the Government of Italy, to ensure that the ceilings agreed upon are respected, and to co-operate with the Government of Italy in implementing the measures recognized as necessary for this purpose.

The provisions of the Geneva Arrangement shall remain in force between the two Governments.

ARTICLE 3

Ceilings

(a) Global ceiling - The total quantity for Italy agreed upon for each twelve-month period shall be 650 metric tons.

(b) Ceilings by groups of categories - The said total quantity shall be apportioned as follows between the two main groups of categories of products:

Metric tons

Group I - Cotton fabrics, grey or bleached, whether or not  
mercerized

400

Group II - Other cotton fabrics, made-up articles and  
miscellaneous articles of cotton

250

(c) Specific ceilings - Up to each of the ceilings by groups of categories established under (b) above, specific ceilings will be agreed upon in order to prevent excessive concentration of trade on certain products; these ceilings will be fixed on the basis of the Annex to this Agreement.

If, in the course of one of the twelve-month periods, the Government of Italy note a rapid and substantial growth in imports of certain products which are not covered by specific ceilings, it may request that a specific ceiling be fixed. Where such a request is made, consultations shall be held forthwith to agree upon the level of a specific ceiling for the product in question.

ARTICLE 4

Transfers

No transfer may be made between the quantity fixed for Group I and that fixed for Group II.

The specific ceilings must not be exceeded; within the framework of ceilings by groups the unused portions of the specific ceilings may be used for the other categories of the group which are not covered by specific ceilings.

Amounts Carried Over

Portions of one of the ceilings for the two groups of categories not used during any twelve-month period can be carried over and added to the ceiling for the same group in the following twelve-month period up to a maximum of 10 per cent of the ceiling in question.

The unused portions of the specific ceilings by category may be carried over and added to the same specific ceilings for the following year up to a maximum of 10 per cent of the said ceilings if the specific ceilings have not been the subject of a transfer or of a carry-over for some other purpose.

#### Advance Deliveries

Within a limit of 5 per cent of each of the ceilings agreed upon, advance deliveries shall be authorized from the ceiling established for the following twelve-month period, if the Government of India so requests in writing in due time; the Government of India, however, shall endeavour to ensure that exports of cotton textiles of all categories are spaced out as regularly as possible over each of the twelve-month periods, taking seasonal factors in particular into account. Amounts delivered in advance shall be deducted from the ceilings for the following twelve-month period.

#### ARTICLE 5

##### Co-operation

The signatory Governments agree to exchange all information relating to exports of cotton textiles from India to Italy and to the corresponding imports into Italy.

Each signatory Government shall, for the purpose of this Agreement, apply whatever classification it has available and shall co-operate in facilitating comparison of information thus supplied.

#### ARTICLE 6

##### Maintenance of Trade Patterns

Should the Government of Italy inform the Government of India that difficulties have arisen, by virtue of this Agreement, regarding the maintenance of existing commercial relations between importers in Italy and their suppliers in India, the signatory Governments shall take all the necessary measures to ensure that these commercial relations are maintained.

#### ARTICLE 7

##### Consultations

The signatory Governments undertake to consult each other, at the request of either the Government of India or the Government of Italy on all problems arising from the implementation of this Agreement.

Furthermore, the signatory Governments agree to take part each year and whenever it may appear to be necessary, at the request of one of the parties, in consultations between representatives of India and representatives of the member States of the European Economic Community as well as of the Commission of the European Communities regarding the overall aspects of trade in cotton textiles.

#### ARTICLE 8

##### Final Provisions

The present Agreement shall enter into force on the date of its signature, with retroactive effect as from 1 January 1968, and shall remain in force for a period of three years, it being understood that, by reason of certain elements proper to the European Economic Community, the application of the present Agreement can only be effected in so far as similar agreements between the other member States of the European Economic Community and India shall have been signed.

Notwithstanding the provisions of the preceding paragraph, any signatory Government shall have the right to denounce the present Agreement in writing upon at least 120 days' notice to the other signatory Government, with effect from either 1 January 1969 or 1 January 1970.

The Annex to the present Agreement forms an integral part thereof.

IN WITNESS WHEREOF, the undersigned representatives, duly authorized thereto, have signed the present Agreement.

DONE at Rome, this 30th day of April, 1968, in duplicate, in the English and Italian languages, both texts being equally authoritative.

For the Government of India

For the Government of Italy

Annex

LIST OF COTTON TEXTILE PRODUCTS AS EXPRESSED IN  
ARTICLE 3(c) OF THE AGREEMENT CONCLUDED BETWEEN INDIA AND ITALY  
CONCERNING TRADE IN COTTON TEXTILES, ON 30 APRIL 1968

Group of categories (1)	Categories (2)	Description of product (3)
Group I		COTTON FABRICS, GREY OR BLEACHED, MERCERIZED OR NOT
	B	<u>Cotton fabrics, grey</u>
	B 1	Terry towelling and similar terry fabrics
	B 2	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing less than 85 per cent by weight of cotton
	B 3	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing at least 85 per cent by weight of cotton, plain weave, weighing more than 70 but not more than 130 grs. per square metre, of a width more than 115 cm. but not more than 165 cm., only with a yarn numbered less than 55,000 m/kg. (English number 32)
	B 4	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing at least 85 per cent by weight of cotton, plain weave, weighing not more than 130 grs. per square metre, other than those under B 3
	B 5	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing at least 85 per cent by weight of cotton, plain weave, weighing more than 130 but not more than 200 grs. per square metre, of a width of at least 85 cm. but not more than 115 cm.
	B 6	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing at least 85 per cent by weight of cotton, plain weave, weighing per square metre more than 130 grs. but not more than 200 grs., of a width of more than 115 cm.
	B 7	Woven fabrics other than gauze or terry towelling and similar terry fabrics, containing at least 85 per cent by weight of cotton, of a width of at least 85 cm., other than plain weave
	B 8	Other woven fabrics

Group of categories (1)	Categories (2)	Description of product (3)
Group I (cont'd)	C	<u>Cotton fabrics other than grey</u>
	C 1	Bleached, mercerized or not
Group II		OTHER COTTON FABRICS, MADE-UP ARTICLES AND MISCELLANEOUS ARTICLES OF COTTON
	C 2	Gauze other than grey or bleached
	C 3	Terry towelling and similar terry fabrics, other than grey or bleached
	C 4	Woven pile fabrics and chenille fabrics (other than terry towelling or similar terry fabrics of cotton falling within heading No. 55.08 and fabrics falling within heading No. 58.05)
	C 5	Woven fabrics other than gauze or terry towelling and similar terry fabrics, dyed
	C 6	Woven fabrics other than gauze or terry towelling and similar terry fabrics, printed
	C 7	Woven fabrics other than gauze or terry towelling and similar terry fabrics, made with yarns of various colours
	D	<u>Household made-up articles of cotton</u>
	D 1	Bed linen
	D 2	Table linen
	D 3	Terry toilet linen and terry kitchen linen
	D 4	Other household articles
	E	<u>Cotton clothing</u>
	E 1	Gloves, mittens and mitts, knitted or crocheted, not elastic or rubberized
	E 2	Undergarments, knitted or crocheted, not elastic or rubberized
	E 3	Outergarments, clothing accessories and other articles, knitted or crocheted not elastic nor rubberized. Articles other than knitted or crocheted fabrics and articles thereof, elastic and rubberized

Group of categories (1)	Categories (2)	Description of product (3)
Group II (cont'd)	E 4	Woven trousers and breeches, for men and boys
	E 5	Other woven outer garments for men and boys
	E 6	Woven outer garments for women, girls and infants
	E 7	Shirts and bodices for men and boys
	E 8	Other woven undergarments for men and boys
	E 9	Woven undergarments for women, girls and infants
	E 10	Handkerchiefs
	E 11	Other articles of apparel and clothing accessories
	F	<u>Miscellaneous cotton fabrics and made-up articles</u>
	F 1	Travelling rugs and blankets
	F 2	Floor-cloths, dish-cloths, dusters and the like
	F 3	Pneumatic mattresses
	F 4	Others