

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Agreement between the Federal Republic of Germany and Pakistan

Attached is the text of the Agreement concluded between the Governments of the Federal Republic of Germany and Pakistan concerning trade in cotton textiles.

The text of this Agreement has been transmitted to the Director-General by the Permanent Delegation of the Federal Republic of Germany for notification to the Cotton Textiles Committee.

A G R E E M E N T  
BETWEEN  
THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY  
AND  
THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN  
CONCERNING  
TRADE IN COTTON TEXTILES

The Government of the Federal Republic of Germany and the Government of the Islamic Republic of Pakistan desiring to ensure an orderly development of trade in cotton textiles in accordance with the provisions of the Long-Term Arrangement regarding International Trade in Cotton Textiles dated 1 October 1962, (hereinafter called the Geneva Arrangement) extended to 30 September 1970, and in particular with Article 4 thereof, which provides for the conclusion of mutually acceptable agreements, have agreed to co-operate and to apply the following provisions:

Article 1

This Agreement shall apply to cotton textiles originating in, and despatched from, the Islamic Republic of Pakistan and listed in the Annex to this Agreement. Transactions concerning hand-loom cotton fabrics shall not, however, be subject to any limitations provided that the said products are accompanied by a certificate issued by the competent authorities of the Islamic Republic of Pakistan and recognized by the competent authorities of the Federal Republic of Germany.

Article 2

1. For the duration of this Agreement and by virtue of the provisions contained therein or annexed thereto, the Government of the Federal Republic of Germany shall undertake not to introduce new quantitative restrictions and suspend the application of those in force and agrees not to invoke the provisions of Article 3 of the Geneva Arrangement as long as imports into the Federal Republic of Germany of cotton textiles originating in, and despatched from, the Islamic Republic of Pakistan do not exceed the quantities agreed upon.

2. The Government of the Islamic Republic of Pakistan undertakes especially when so requested by the Government of the Federal Republic of Germany, to ensure that the ceilings agreed upon are respected and to co-operate with the Government of the Federal Republic of Germany in implementing the measures recognized as necessary for this purpose.

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

Article 3

1. Global ceilings. The total quantity agreed upon for each twelve-month period shall be 500 metric tons.
2. Ceilings by groups of categories. The aforementioned total quantity shall be apportioned as follows between the two main groups of categories of products:

Metric tons

<u>Group I</u>	Cotton fabrics, grey or bleached, whether or not mercerized	450
<u>Group II</u>	Other cotton fabrics, made-up articles and miscellaneous articles of cotton	50

3. Specific ceilings. Up to each of the ceilings by groups of categories established under 2 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 list annexed to this Agreement.

If, in the course of one of the twelve-month periods, the Government of the Federal Republic of Germany notes 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

1. No transfer may be made between the quantity fixed for Group I and that fixed for Group II.
2. The specific ceilings must not be exceeded; within the framework of the 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.
3. 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.
4. 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 a carry-over for some other purpose.
5. Within the 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 the Islamic Republic of Pakistan so

requests in writing in due time; the Government of the Islamic Republic of Pakistan, 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 period, 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

The Governments agree to exchange all information relating to exports of cotton from the Islamic Republic of Pakistan to the Federal Republic of Germany and to the corresponding imports into the Federal Republic of Germany. Each Government shall, for the purposes of this Agreement, apply whatever classification it has available and shall co-operate in facilitating comparison of information thus supplied.

#### Article 6

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

#### Article 7

1. The two Governments undertake to consult each other, at the request of either, on all problems arising from the implementation of this Agreement.
2. 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 the Islamic Republic of Pakistan and representatives of the member States of the European Economic Community and the Commission of the European Communities regarding the overall aspects of trade in cotton textiles.

#### Article 8

This Agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Islamic Republic of Pakistan within three months from the date of signing of this Agreement.

#### Article 9

1. This Agreement shall be concluded for a period of three years beginning 1 January 1968. It shall remain in force until 31 December 1970.

2. The provisions of paragraph 4 of the Protocol extending the Geneva Arrangement shall be applicable to this Agreement. In case of application, the undertakings contained in this Agreement shall be set out in an appropriate form.

3. Either Government shall be entitled to propose a revision of this Agreement or to denounce it by giving notice thereof not later than 120 days before the beginning of each twelve-month period.

4. The Annex to this Agreement and the exchange of letters shall form an integral part thereof.

DONE at Bonn this 2 August 1968 in four originals, two each in the German and English languages, all four texts being equally authentic.

For the Government  
of the Federal Republic of Germany

For the Government  
of the Islamic Republic of Pakistan