

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

GOT/146

17 February 1970

Special Distribution

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Agreement between the Benelux Countries and Japan

Attached is the text of the Agreement concluded between the Benelux countries and Japan concerning trade in cotton textiles.

The text of this Agreement has been transmitted to the Director-General by the permanent delegation of the Netherlands, on behalf of the Benelux countries, for notification to the Cotton Textiles Committee.

AGREEMENT BETWEEN THE GOVERNMENTS OF THE COUNTRIES
OF THE BENELUX ECONOMIC UNION AND THE GOVERNMENT OF JAPAN
CONCERNING TRADE IN COTTON TEXTILES

The Government of the Kingdom of the Netherlands,

And the Government of the Kingdom of Belgium, acting in its own name and on behalf of the Government of the Grand Duchy of Luxembourg according to existing agreements,

These Governments acting together under the Treaty establishing the Benelux Economic Union, signed at The Hague on 3 February 1958, on the one hand,

And the Government of Japan, on the other,

Desiring to ensure the orderly development of trade in cotton textiles between the Benelux countries and Japan in accordance with the provisions of the Long-Term Arrangement regarding International Trade in Cotton Textiles of 1 October 1962, which was extended until 30 September 1970 (hereinafter referred to as the "Geneva Arrangement"), and in particular of its Article 4 which provides for the conclusion of mutually acceptable arrangements,

Have agreed upon the following provisions:

Article 1

This Agreement shall apply to cotton textiles originating in and despatched from Japan and listed in the Annex to this Agreement.

Article 2

During the period of validity of this Agreement and by virtue of the provisions contained therein or annexed thereto, the Governments of the Benelux countries undertake not to introduce new quantitative restrictions and to suspend the application of those in force and agree not to invoke the provisions of Article 3 of the Geneva Arrangement as long as imports into the Benelux countries of cotton textiles originating in and despatched from Japan do not exceed the quantities agreed upon.

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

The provisions of the Geneva Arrangement shall remain in force between the Governments of the Benelux countries and the Government of Japan.

Article 3

(a) Global ceiling

The total quantity agreed upon for each twelve-month period shall be 1,200 metric tons.

(b) Ceilings by group of categories

The said total quantity shall be apportioned as follows between the two main groups of categories of products:

		<u>Metric tons</u>
Group I	Cotton fabrics, grey or bleached, whether or not mercerized	500
Group II	Other cotton fabrics, made-up articles and miscellaneous articles of cotton	700

(c) Specific ceilings

Up to each of the ceilings by group of categories established under the preceding paragraph, specific ceilings shall be agreed upon in order to prevent excessive concentration of trade on certain products; these ceilings shall be fixed on the basis of the list annexed to this Agreement.

If, in the course of one of the annual periods, the Governments of the Benelux countries note a rapid and substantial growth in imports of certain products which are not covered by specific ceilings, they may request that a specific ceiling be fixed. Where such a request is made, a consultation 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 the quantity fixed for Group II.

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

2. Portions of one of the ceilings by group of categories not used during any annual period may be carried over and added to the ceiling for the same group in the following annual period within the limits 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 within the limits of 10 per cent of the said ceiling, if the specific ceilings have not been subject to a transfer or to a carry-over of another kind.

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

Article 5

The Governments of the Benelux countries and the Government of Japan will exchange all information relating to exports of cotton textiles from Japan to the Benelux countries and to the corresponding imports into these countries. Each of the Governments will, for the purpose of this Agreement, apply classification available to it and will co-operate in facilitating comparison of information thus supplied.

Article 6

In case the Governments of the Benelux countries inform the Government of Japan that difficulties have arisen, in application of this Agreement, regarding the maintenance of existing commercial relations between importers in the Benelux countries and their suppliers in Japan, the Governments of the Benelux countries and the Government of Japan will consult each other in order to take all necessary measures to ensure the maintenance of these commercial relations.

Article 7

The Governments of the Benelux countries and the Government of Japan undertake to consult each other, at the request of either Government, on all problems arising from the implementation of this Agreement.

Furthermore, the Governments of the Benelux countries and the Government of Japan agree to take part each year in consultations between the representatives of the Government of Japan and the representatives of the Governments of the member States and of the Commission of the European Economic Community regarding the overall aspects of trade in cotton textiles.

Article 8

As regards the Kingdom of the Netherlands, the present Agreement shall apply only to the territory of the Kingdom situated in Europe.

The present Agreement shall enter into force on the date of the signature and shall be applied for the period of twelve months from 1 October 1969.

The provisions of paragraph 4 of the Protocol extending the Geneva Arrangement shall be applicable to the present Agreement. In case of their application, the undertakings contained in the present Agreement shall be modified in an appropriate form.

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 Tokyo, this twenty-second day of October 1969, in triplicate in the English language.

For the Governments of
the countries of the
Benelux Economic Union:

For the Government
of Japan:

Annex

LIST OF COTTON TEXTILE PRODUCTS
REFERRED TO IN THE AGREEMENT
BETWEEN THE GOVERNMENTS OF THE COUNTRIES
OF THE BENELUX ECONOMIC UNION AND THE
GOVERNMENT OF JAPAN CONCERNING TRADE IN
COTTON TEXTILES, SIGNED AT TOKYO
ON 22 OCTOBER 1969

Group of categories (1)	Categories (2)	Description of products (3)
<u>GROUP I</u>		<u>COTTON FABRICS, GREY OR BLEACHED,</u> <u>MERCERIZED OR NOT</u>
	B	COTTON FABRICS, GREY
	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, con- taining at least 85 per cent by weight of cotton, plain weave, weighing more than 70 grs. but not more than 130 grs. per square metre, of a width more than 115 cms. but not more than 165 cms., 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, con- taining 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

(1)	(2)	(3)
<u>GROUP I</u> (cont'd)	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 grs. but not more than 200 grs. per square metre, of a width of at least 85 cms. but not more than 115 cms.
	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 cms.
	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 at least of 85 cms., other than plain weave
	B 8	Other woven fabrics
	C	COTTON FABRICS OTHER THAN GREY
	C 1	Bleached, mercerized or not
<u>GROUP II</u>		<u>OTHER COTTON FABRICS, MADE-UP ARTICLES AND MISCELLANEOUS ARTICLES OF COTTON</u>
	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

(1)	(2)	(3)
<u>GROUP II</u> (cont'd)	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	HOUSEHOLD MADE-UP ARTICLES OF COTTON
	D 1	Bed linen
	D 2	Table linen
	D 3	Terry toilet linen and terry kitchen linen
	D 4	Other household articles
	E	COTTON CLOTHING
	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. Knitted or crocheted articles, elastic or rubberized, other than fabrics
	E 4	Woven trousers and breeches, for men and boys
	E 5	Other woven outergarments for men and boys
	E 6	Woven outergarments for women, girls and infants
	E 7	Woven 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

(1)	(2)	(3)
<u>GROUP II</u> (cont'd)	E 10	Handkerchiefs
	E 11	Other articles of apparel and clothing accessories
	F	MISCELLANEOUS COTTON FABRICS AND MADE-UP ARTICLES
	F 1	Travelling rugs and blankets
	F 2	Floor-cloths, dish-cloths, dusters, and the like
	F 3	Pneumatic mattresses
	F 4	Others

Tokyo, 22 October 1969

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's letter of today's date which reads as follows:

"At the conclusion of the negotiations that took place between the Governments of the Benelux countries and the Government of Japan and which led to the signature of the Agreement concerning trade in cotton textiles, we have the honour to confirm, on behalf of the Governments of the Benelux countries, the following understandings:

1. In consideration of certain elements proper to the European Economic Community, the above-mentioned Agreement will be applicable only when similar bilateral agreements between the Governments of the other member States of the EEC and the Government of Japan have been signed in accordance with the provisions of Article 4 of the Geneva Arrangement.
2. No provision of the Agreement shall be interpreted as affecting the present state of liberalization in respect of cotton textile products which exists in the relations between the Benelux countries and Japan.
3. It is understood that the Governments of the Benelux countries will request a specific ceiling to be fixed in accordance with Article 3 (c) of the Agreement only when rapid and substantial growth in deliveries of the products concerned causes or threatens to cause disruption of the market.

"Pending the results of the consultations provided for in the said Article, the Government of Japan shall maintain, as from the date of the request, exports of the products in question at a level corresponding, pro rata temporis, to 105 per cent of the exports effected during the most recent twelve-month period for which statistics are available.

"We shall be grateful if Your Excellency is good enough to confirm the above-mentioned understandings on behalf of the Government of Japan."

I have the honour to confirm on behalf of the Government of Japan the understandings set forth in the letter mentioned above.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

For the Minister for Foreign Affairs

Director-General of the
Economic Affairs Bureau

His Excellency

Mr Jonkheer Johan Quirijn Bas Backer
Ambassador Extraordinary and
Plenipotentiary of the Kingdom of
the Netherlands

Tokyo, 22 October 1969

Excellency,

I wish to acknowledge the receipt of Your Excellency's letter of today's date which reads as follows:

"With reference to the Agreement between the Governments of the Benelux countries and the Government of Japan concerning trade in cotton textiles, we wish to inform you as follows:

"The Governments of the Benelux countries note that the said Agreement has been concluded within the framework of the Geneva Arrangement. Accordingly, its special terms are intended to resolve the specific problems relating to cotton textiles and shall in no way prejudice the solutions to be adopted in respect of any problems that may arise in other fields."

I have the pleasure to inform you that the Government of Japan agrees to the communication stated in Your Excellency's letter.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

For the Minister for Foreign Affairs

Director-General of the
Economic Affairs Bureau

His Excellency
Mr. Jonkheer Johan Quirijin Bas Backer
Ambassador Extraordinary and
Plenipotentiary of the Kingdom the Netherlands