

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

COM.TEX/SB/923
29 February 1984

Special Distribution

Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Modification to the Bilateral Agreement between
the EEC and Indonesia

The Textiles Surveillance Body has received from the Commission of the European Communities a notification of a modification to the bilateral agreement between the EEC and Indonesia, concluded under Article 4 of the MFA. In this modification regional restraints were introduced for two categories.

The ISB, pursuant to its procedures regarding notifications under Article 4², has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

¹The original bilateral agreement is contained in COM.TEX/SB/893.

²See COM.TEX/SB/35, Annex B.

Brussels, 17 January 1983

Ambassador M. RAFFAELLI
Chairman
Textiles Surveillance Body, GATT
Centre William Rappard
Rue de Lausanne
CH-1211 GENEVA

Dear Ambassador,

In connection with the European Economic Community's Agreement on trade in textile products with Indonesia negotiated under Article 4 of the Arrangement and initialled on 25 November 1982, I have to inform you of the following:

- A. During the course of 1983 imports of cotton fabrics (category 2) from Indonesia into the United Kingdom exceeded 261 tonnes, being the level at which the Community could ask for consultations with a view to establishing a regional limit under the provisions of Article 8 of the Agreement. The Community having deemed that there was a real risk of market disruption in this case, the two sides consulted from 16 to 18 November 1983 in pursuance of Article 17 of the Agreement, As a result of these consultations, and in conformity with the provisions of the Agreement, Indonesia agreed to limit such exports as follows:

<u>Member State</u>	<u>Years</u>	<u>Category 2</u> tonnes	<u>Inner Limit</u> <u>sub-category 2 a)</u> tonnes
UK	1984	1 664	167
	1985	1 697	170
	1986	1 731	173

- B. During the course of 1983 imports of synthetic fabrics (category 3) from Indonesia into the Community exceeded 323 tonnes, being the level at which the Community could ask for consultations with a view to establishing a Community limit under the provisions of Article 8 of the Agreement. The Community having deemed that there was a real risk of market disruption in this case, the two sides consulted from 29 August to 5 September and from

16 to 18 November 1983 in pursuance of Article 17 of the Agreement.
As a result of the consultations, and in conformity with the provisions of this Agreement, Indonesia agreed to limit exports of these products as follows:

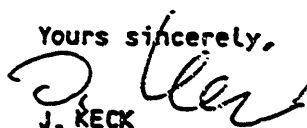
<u>Member States</u>	<u>Period</u>	<u>Category 3</u> tonnes	<u>Inner Limit</u> <u>sub-category 3 a)</u> tonnes
France	20/6 - 31/12 1983	270	-
	1984	630	95
	1985	643	96
	1986	655	98
Italy	20/6 - 31/12 1983	135	-
	1984	350	53
	1985	357	54
	1986	364	55
UK	20/6 - 31/12 1983	325	-
	1984	740	111
	1985	755	113
	1986	770	116

C. These limits, which are set out in the exchange of letters annexed hereto, are hereby communicated under Article 4, paragraph 4 of the Arrangement as a modification to the Community's Agreement with Indonesia.

D. I should add that, subsequent to the said exchange of letters, the Community agreed to the following special supplementary quantities for 1983:

<u>Category</u>	<u>Member States</u>	<u>Quantities</u>
2	UK	854 tonnes
3	France	30 tonnes
	Italy	159 tonnes
	UK	477 tonnes

Yours sincerely,


J. RECK

Brussels, 28 November 1983

Dr. Horst G. KRENZLER
 Director, Special Representative
 for Textile Negotiations,
 Directorate-General for External Relations
 Commission of the European Communities
BRUSSELS

Dear Sir,

Letter 1

I wish to refer to the Agreement on trade in textile products between the Republic of Indonesia and the European Economic Community initialled on 25 November 1982 and to the consultations which were held under Articles 8 and 17 thereof from 16 to 18 November 1983 in Brussels.

As a result of these consultations, I wish to propose an agreement between Indonesia and the Community in the following terms :

1. Indonesia agrees to restrain its exports of the products specified in the following table at the respective annual levels for the Community regions indicated :

<u>Community region</u>	<u>Year</u>	<u>Category 2</u>	<u>Inner limit subcategory 2a)</u>
United Kingdom	1984	1 664 T	167 T
	1985	1 697 T	170 T
	1986	1 731 T	173 T

<u>Community region</u>	<u>Year</u>	<u>Category 3</u>	<u>Inner limit subcategory 3a)</u>
France	1984	630 T	95 T
	1985	643 T	96 T
	1986	655 T	98 T
Italy	1984	350 T	53 T
	1985	357 T	54 T
	1986	364 T	55 T
United Kingdom	1984	740 T	111 T
	1985	755 T	113 T
	1986	770 T	115 T

2. Both Parties agree that these quantitative limits shall be administered in accordance with the double-checking system defined in Protocol A of the Agreement.
3. The Community agrees that Indonesia would be entitled to seek consultations for an increase in the inner limits specified in paragraph 1 above at any time during the validity of the Agreement, should these limits present problems for Indonesia's exports.

I would like to request you, Sir, to confirm that the European Economic Community agrees to the foregoing arrangements and I propose that this letter and your reply thereto shall constitute an agreement between Indonesia and the Community.

Yours sincerely,



Rusli Noor

Brussels, 2 December 1983

Your Excellency,

I have the honour to acknowledge receipt of your letter of 28 November which reads as follows.

Letter 1

I confirm that the European Economic Community agrees to the foregoing arrangements and I agree that Your Excellency's letter and this reply thereto constitute an agreement between Indonesia and the Community.

Yours faithfully,

(signed) Horst G. KRENZLER

H.E. Mr. Rusli NOOR
Ambassador of the Republic of Indonesia
Avenue de Tervuren, 294

1150 Brussels