GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1076*
28 June 1985

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Norway and Hungary

The Textiles Surveillance Body has received a notification from Norway of a bilateral agreement with Hungary, concluded under Article 4 of the MFA, valid for the period 1 July 1984 to 31 December 1986.

The agreement has replaced restrictions previously maintained by Norway under the Protocol of Accession of Hungary to GATT and Article XIX of GATT.

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

In its notification made under Article 2:1, Norway had informed the TSB that it had concluded a bilateral agreement with Hungary under the MFA as extended by the 1981 Protocol (COM.TEX/SB/1007)

²See COM.TEX/SB/35, Annex B

 $^{^{3}}$ For the TSB's observations on this notification, see COM.TEX/SB/1079

^{*}English only/Anglais seulement/Inglés solamente

AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF NORWAY AND THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC RELATING TO THE EXPORTS FROM THE HUNGARIAN PEOPLE'S REPUBLIC OF CERTAIN TEXTILE PRODUCTS FOR IMPORTS INTO NORWAY

Introduction

- 1. This Agreement sets out the arrangements that have been made between the Government of Norway and the Government of the Hungarian People's Republic regarding the exports of certain textile products from the Hungarian People's Republic for imports into Norway.
- 2. These arrangements have been made having regard to the Arrangement Regarding International Trade in Textiles (hereinafter referred to as "the MFA") as extended by the Protocol of 22 December 1981, bearing in mind particularly the provisions of Article 1:2, Article 1:6 and Article 4 of the MFA.

Coverage

3. These arrangements apply to the exports of the Hungarian People's Republic to Norway of the textile products listed in Annex A to this Agreement, when these are made of cotton, wool, man-made fibres, or blend thereof, in which any, or all of those fibres in combination represent either the chief value of the fibres or 50 per cent or more by weight (or 17 per cent or more by weight of wool) of the product.

Classification

- 4. For the purpose of classifying textile products in the appropriate category, the definitions set out in Annex A will apply.
- 5. In case of divergent opinions between the competent Norwegian and Hungarian authorities on the classification of products covered by this Agreement, consultations as provided for in paragraph 15 of this Agreement shall be held with a view to reaching agreement on the appropriate classification of the products concerned and to resolving any difficulties arising therefrom. For this purpose, the authorities of the Hungarian People's Republic shall be informed by the competent authorities in Norway as soon as a case of divergent opinions on the classification of products arises.

Pending agreement on the appropriate classification and in order to avoid disruption of trade, the products in question shall be imported on the basis of the classification indicated by the competent Norwegian authorities, in conformity with the provisions of this Agreement.

Restraint levels

6. For products listed in Annex B to this Agreement, the Hungarian People's Republic shall for each period during the term of this Agreement restrain its exports to Norway to the limits set out in Annex B.

Flexibility provisions

7. Following notification to and statistical verification by the Government of Norway of the quantities involved, portions of any restraint level set out in Annex B which are not used during the restraint period may be carried over and added to the corresponding level for the following restraint period. The restraint level for any such restraint period can be increased within the limit of 8 per cent.

Following notification to and statistical verification by the Government of Norway of the quantities involved, any restraint level may be increased within the limit of 3.5 per cent by an amount advanced from the corresponding restraint level for the following restraint period. The restraint level for any such following restraint period will be reduced by an amount equal to the amount so advanced.

Notwithstanding the foregoing, the carryover and carry forward provisions may be used in combination only up to the limit of 8 per cent.

The statistical verification referred to above shall be completed not later than ten working days from the date of the receipt of the notification.

Products covered by the Agreement without restraint levels

8. Imports of textiles products covered by this Agreement which are not subject to restraint levels shall be subject to a dual system of export and import administrative control.

When imports of a product listed in Annex A not subject to restraint levels have reached a level corresponding to 1.5 per cent of the preceding calendar year's total imports into Norway of that product and the imports cause or threaten to cause market disruption as defined in Annex A of the MFA, the Norwegian Government may request consultations in order to establish a restraint level for the product concerned.

Pending a mutually acceptable solution through this consultation, the Norwegian Government may fix a quantitative limit at least at the volume reached by imports of the product in question in the twelve-month period preceding the request for consultation, and the annual growth rate in such a case shall not be less than 2 per cent.

Administration

9. Exports from the Hungarian People's Republic to Norway of textile products listed in Annex B shall be subject to a double-checking system by the Norwegian and Hungarian authorities, as specified in Annex C of the Agreement.

Circumvention

10. The Government of Norway and the Government of the Hungarian People's Republic agree to co-operate fully in dealing with problems relating to circumvention of the arrangements set out in this Agreement.

When information available to the Norwegian authorities indicates that products of Hungarian origin listed in Annex B to this Agreement have been imported into Norway by trans-shipment, rerouting or otherwise, in circumvention of the arrangements set out in this Agreement, Norway may ask for consultations as provided for in paragraph 15 of this Agreement, with a view to agree on an appropriate solution.

If the parties fail to reach a mutually satisfactory solution within a period of fifty-one days from the date when the request for consultations was received, the Norwegian authorities may, if solid evidence of circumvention has been provided and pending the outcome of the consultations, carry out an appropriate adjustment of the restraint level for the products concerned, for the current or the following calendar year.

Seasonal fluctuations

11. The Government of the Hungarian People's Republic will endeavour to ensure by way of issuing export licences that exports of textile products covered by this Agreement and subject to restraint levels are spaced out as evenly as possible each calendar year, however taking into consideration possible concentration of exports attributable to normal seasonal factors.

Rules of origin

12. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in Norway and the procedures for control of the origin of the products set out in Annex C. Any changes in these rules shall be notified to the Hungarian authorities.

Re-exports

13. Exports from the Hungarian People's Republic to Norway of textile products covered by this Agreement shall not be subject to restraint levels established in Annex B, provided that the export licence certifies that the products concerned are for re-exports outside Norway.

Where the competent Norwegian authorities have evidence that products exported from the Hungarian People's Republic against a restraint level established in Annex B have been subsequently re-exported outside Norway, the Norwegian authorities shall notify the Government of the Hungarian People's Republic of the quantities involved. Upon receipt of such notification, the Government of the Hungarian People's Republic may authorize exports for the current calendar year of identical quantities of products within the same category, which shall not be set off against the restraint levels established in Annex B.

Exchange of statistics

- 14. For all products covered by Annex B of this Agreement
 - the Government of the Hungarian People's Republic undertakes to provide the Government of Norway with quarterly statistics of all export licences issued by the authorities for each category for the current restraint period.

For all products covered by this Agreement

- the Government of Norway undertakes to provide the Government of the Hungarian People's Republic with quarterly statistics of total imports and of imports authorized from Hungary by the authorities for each category for the current restraint period.

Each report shall be transmitted before the end of the second month following the period covered by the report.

Consultations

15. The Government of Norway and the Government of the Hungarian People's Republic agree to consult at the request of either government, on any question arising in the application of this Agreement.

Any request for consultations shall be notified in writing to the other party, together with a statement explaining the reason and circumstances that led to the request.

The parties shall enter into consultations within twenty-one days at the latest from when the request was made, with a view to arriving at a mutually satisfactory conclusion in conformity with the provisions of the MFA within a further thirty days at the latest.

General

16. The present Agreement shall enter into force when the parties have notified each other that all internal procedures which are necessary for the fulfilment of the obligations in the Agreement have been completed.

Provided that such notifications have taken place, the Agreement shall apply with effect from 1 July 1984 until 31 December 1986 unless this is changed by application of the provisions of paragraph 17 of this Agreement.

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17. Either party may at any time propose modifications to this Agreement. Such proposals shall lead to consultations in accordance with the procedures outlined in paragraph 15.

Either party may at any time denounce this Agreement provided that at least sixty days' notice is given. In that event the Agreement shall come to an end on the expiry of the period of notice.

18. The Annexes to this Agreement shall be considered as an integral part thereof.

Done in two originals at Budapest on 13 July 1984 in the English language, both texts being equally authentic.

For the Government of the Kingdom of Norway

For the Government of the Hungarian People's Republic

ANNEX A

Product Categories Covered by the Agreement

Category		
Number	Unit	Description
1	Pieces	Outer garments of woven material, men's, boys', women's, girls':
		- Jackets: tailored jackets, blazers, waistcoats, sports jackets (including parts of ski suits), anoraks and similar garments, parkas, one-piece suits and the like, also as parts of suits, sets and costumes.
2	Pieces	Outer garments of woven material, men's, boys', women's, girls':
		- Trousers, slacks, jeans, breeches and the like (including bib and brace overalls), other than swimwear and shorts, also as parts of suits and sets.
3	Pieces	Knitted or crocheted shirts, T-shirts and blouses of all kinds.
4	Pieces	Knitted or crocheted undergarments, men's, boys', women's, girls', infants'; other than T-shirts, blouses, nightwear and panty hose.
5	Pieces	Men's and boys' shirts of all kinds, of woven material.
6	Pieces	Outer garments and other articles, knitted or crocheted, not elastic nor rubberized: pullovers, sweaters, jumpers, cardigans and jackets.
7	Kgs.	Bed linen
8	Pieces	Outer garments of woven material, women's, girls': blouses, shirts and the like.

<u>Number</u>	<u>Unit</u>	Description
9	Pairs	Stockings, under stockings, socks, ankle socks, sockettes and the like, knitted or crocheted, not elastic nor rubberized, except women's stockings, sport stockings and thick woollen socks (known as "raggsokker").
10	Pieces	Women's and girls' outer garments of woven material: dresses, housecoats, frocks and gowns.
11	Pieces	Outer garments of woven material, women's, girls': skirts, including divided skirts.
12	Pieces	Costumes, dresses, suits, skirts and trousers, knitted or crocheted (incl. track suits).
13	Kgs.	Gloves, mittens and mitts of textile material, not knitted or crocheted.
14	Pieces	Outer garments of woven material for infants (defined as for infants with height below 110 cm).
15	Pieces	Men's, boys', women's and girls' outer garments of woven material:
		- Ulsters, overcoats, capes and coats (except those impregnated or coated with oil, varnish, rubber, artificial plastic materials and the like).
16	Pieces	Undergarments, knitted or crocheted - panty hose
17	Kgs.	Gloves, mittens and mitts, knitted or crocheted, not elastic nor rubberized.
18	Pieces	Nightwear, knitted or crocheted.
19	Pairs	Gaiters and spats (short or long ones) of textile materials ("Østerdalssokker").
21	Pieces	Undergarments of woven material, women's and girls' wear (except nightwear).
23	Kgs.	Woven fabrics of cotton and/or discontinuous man-made fibres, not printed.
25	Kgs.	Table linen containing cotton.

APPENDIX TO ANNEX A

Category	Description		CCCN
1	Outer garments of woven materials, men's, boys', women's, girls':		
	- Jackets: tailored jackets, blazers, waistcoats, sports jackets (including parts of ski suits), anoraks and similar garments, parkas, one-piece suits and the		6101.220-290 6101.420-490 6102.220-290 6101.320-390 6102.321, -341,
	like, also as parts of suits, sets and costumes.	EX	-351, -361 and -391
			6101.920-990 6102.921, -941, -951, -961 and -991
			6101.001-009 6102.001-009
2	Outer garments of woven material, men's, boys', women's, girls':		
	- Trousers, slacks, jeans, breeches and the like (including bib and brace overalls), other than swimwear and shorts, also as parts of suits and sets	ex	6101.520-590 6102.620-690 6101.320-390 6102.321, -341, -351, -361 and -391 6101.920-990 6102.921, -941, -951, -961 and
3	Knitted or crocheted shirts, T-shirts and blouses of all kinds.	ex	6004.110-190 6005.420-490 6004.710-990
4	Knitted or crocheted undergarments, men's, boys', women's, girls', infants'; other than T-shirts, blouses, nightwear and panty hose.		6004.710-990
5	Men's and boy's shirts of all kinds, of woven material.		6103.120-199 6101.920-999 6103.920-999

Category	Description		CCCN
6	Outer garments and other articles, knitted or crocheted, not elastic nor rubberized:		
	- Pullovers, sweaters, jumpers, cardigans and jackets	ex	6005.320-390 6005.821-892
7	Bed linen	ex	6202.121-199 6005.991 6005.920
.8	Outer garments of woven material, women's, girls':		
	- Blouses, shirts and the like.		6102.520-590 6102.921, -941 -951, -961 and -991 6104.220-290
9	Stockings, under stockings, socks, ankle socks, sockettes and the like, knitted or crocheted, not elastic nor rubberized, except women's stockings, sport stockings and thick woollen socks (known as "raggsokker").		6003.110-190 6003.910, -920, -949 and -990
10	Women's and girls' outer garments of woven material:		
	- Dresses, housecoats, frocks and gowns.	ex	6102.322, -342, -352, -362 and -392 6102.921, -941, -951, -961 and -991
11	Outer garments of woven material, women's, girls':		
	- Skirts, including divided skirts.		6102.420-490
12	Costumes, dresses, suits, skirts and trousers, knitted or crocheted (incl. tracksuits)	ex	6005.620-690 6005.120-190 6005.821-892

Category	Description		CCCN
13	Gloves, mittens and mitts of textile material, not knitted or crocheted		6110.010-030
14	Outer garments of woven material for infants		6102.922, -942, -952, -962 and -992
15	Men's, boy's, women's and girls' outer garments of woven material:		
	- Ulsters, overcoats, capes and coats (except those impregnated or coated with oil, varnish, rubber, artificial plastic materials and the like).	ex ex	6101.120-190 6102.120-190 6101.001-009 6102.001-009 6101.920-990 6102.921, -941, -951, -961 and
16	Undergarments, knitted or crocheted		
	- Panty hose	ex	6004.610-690 6006.929-999
17	Gloves, mittens and mitts, knitted or crocheted, not elastic nor rubberized.		6002.020-059, -099
18	Nightwear, knitted or crocheted		6004.210-290
19	Gaiters and spats (short or long ones) of textile materials (Østerdalssokker")	ex	6406.002
21	Undergarments of woven material, women's and girls' wear (except nightwear)		61.04.220-290
23	Woven fabrics of cotton and/or discontinuous man-made fibres, not printed	,	55.09.506-509, -601, -603-605, -607-609, -962-964, -967-969 56.07.101, -103, -104, -109, -401-402, -409, -701, -709, -901-902, -909
25	Table linen containing cotton	٠.	62.02.251-256

Any changes in the classification shall be notified to the Hungarian authorities.

ANNEX B

Category Number	Unit	1 July 1984-31 December 1984	1985	1986
1	Pcs.	5,000	10,020	10,040
2	Pcs.	5,000	10,020	10,040
3 & 4	Pcs.	14,250	28,557	28,614
5 & 8	Pcs.	10,000	20,040	20,080
(5	Pcs.	2,500	5,010	5,020)
6	Pcs.	14,250	28,557	28,614
7	Kgs.	17,250	34,569	34,638
9	Pairs	52,500	107,100	109,242
$10^{\frac{1}{2}}$	Pcs.	7,500	15,300	15,606
111/	Pcs.	8,000	16,320	16,646
13	Pairs	132,000	269,280	274,666
23	Kgs.	12,500	25,500	26,010
25	Kgs.	17,500	35,700	36,414

 $[\]frac{1}{R}$ Restraint level applicable to dresses, housecoats, frocks and gowns (Category 10) and skirts (Category 11) of woven material, of cotton or of other textile fibres covered by the MFA except continuous man-made textile fibres, wool or fine animal hair, and discontinuous man-made fibres.

ANNEX C

ADMINISTRATIVE CO-OPERATION

1. Products originating in the Hungarian People's Republic for export to Norway in accordance with the arrangements established by this Agreement shall be accompanied by a certification of Hungarian origin conforming to the specimen attached as Annex D, including full description of the goods.

The certificate of Hungarian origin shall be issued by the Hungarian Chamber of Commerce.

- 2. The competent authorities of the Hungarian People's Republic shall issue export licences in respect of consignments from the Hungarian People's Republic for exports to Norway of products covered by Annex B. The export licences shall conform to the specimen attached as Annex E.
- 3. For products covered by Annex B, the authorities of the Hungarian People's Republic shall issue export licences up to the restraint levels agreed through this Agreement. The export licence must certify that the quantity of the product in question has been set off against the restraint level prescribed for the category of the product in question.
- 4. Each export licence shall cover only one of the categories of products listed in Annex B to this Agreement.
- 5. Exports shall be set off against the restraint levels established for the year in which shipment of the goods has been effected.
- 6. The presentation of an export licence, in application of paragraph 7 below, shall be effected not later than 31 January of the year following that in which the goods covered by the licence have been shipped.
- 7. Importation into Norway of textile products subject to restraint levels shall be subject to the presentation of appropriate import documents.

The competent Norwegian authorities shall issue such import documents automatically within ten working days of the presentation by the importer of the original of the corresponding export licence.

8. The competent Norwegian authorities must be notified forthwith of the withdrawal or alteration of any export licence already issued.

The competent Norwegian authorities shall cancel the already issued import documents if the corresponding export licence has been withdrawn.

However, if the competent Norwegian authorities have not been notified about the withdrawal or cancellation of the export licence until after the products have been imported into Norway, the quantities involved shall be set off against the restraint level for the category and period in question, and the authorities of the Hungarian People's Republic shall be informed as soon as possible after the receipt of the notification on the withdrawal of the export licence.

- 9. If the competent Norwegian authorities find that the total quantities covered by export certificates issued by the authorities of the Hungarian People's Republic for a particular category in any period exceed the restraint level established for that category, the said authorities may suspend the further issue of import documents. In this event, the competent Norwegian authorities shall immediately inform the authorities of the Hungarian People's Republic and the special consultation procedure set out in paragraph 15 of the Agreement shall be initiated forthwith.
- 10. For exports of products of Hungarian origin and listed in Annex B not covered by export licences issued by the authorities of the Hungarian People's Republic in accordance with the provisions of this Annex, the issue of appropriate import documents may be refused by the competent Norwegian authorities.
- 11. The export licence and the certificate of Hungarian origin may comprise additional copies duly indicated as such. They shall be made out in English. If they are completed by hand, entries must be in ink and in printscript.

Only the original, clearly marked "original" shall be accepted by the competent authorities in Norway as being valid for the purposes of export to Norway in accordance with the arrangements established by this Agreement.

12. Each export licence and certificate of Hungarian origin shall bear a serial number, by which it can be identified.

The export licence shall also contain the following information:

- (a) Country of destination
- (b) Country of origin
- (c) Name and address of exporter (and if possible manufacturer)
- (d) Name and address of importer
- (e) Full description of the goods, including if possible tariff classification numbers, both in the systems of the exporting country and of Norway.
- (f) Relevant category number and description as set out in Annex A of the Agreement.

- (g) f.o.b. value
- (h) Quantity in units set out in Annex A
- (i) Expected place and date of shipment means of transport.
- 13. In the event of theft, loss or destruction of an export licence or a certificate of Hungarian origin, the exporter may apply to the competent governmental authority which issued the document for a duplicate to be made out on the basis of the export documents in his possession. The duplicate of any such certificate or licence so issued shall bear the endorsement "duplicate".

The duplicate must bear the date of the original export licence or certificate of Hungarian origin.

14. The Government of the Hungarian People's Kepublic shall send the Norwegian Ministry of Trade the names and addresses of the governmental authorities or other bodies competent for the issue and verification of export licences and certificates of Hungarian origin together with specimens of the stamps used by them. The Government of the Hungarian People's Republic shall also notify the Ministry of any change in this information.

Kossuth L. tår 0-8

MAGYAR KERESKEDELNII KAMARA, Budapos* V

"Ez az adat jarek erre leh i ase e van, helsettet droto az um azono, dasara vonatiloza man adat a

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ANNEX E

Exponential report of the east of the first	CRIGINAL	No		
1984	3 Curta year Annee contingentaire	4 Category number humbro de caregor	·e	
Consignee (Name, has electess electry) Destinatante (nom electess electro)	EXPORT LICENCE (Textile products) LICENCE D'EXPORTATION (Produits textiles)			
	6 Country of origin Pays d'origine	7 Country of Gestina Pays de destinatio		
Place and gate of snipment - Means of transport Lieu et cate d'emparquement - Moyen de transport	9 Supplementary details Donnees supplementaires			
Verss and numbers - Number and str packages - DESCRIPTION OF GCCDS Parques et numeros - Numbre et sature das colis - DESIGNATION DES MARCHANI	DISES	11 Quantity (1) Quantite (1)	17 Füß Value (21 Valeur FCS (2)	
•				
	·			
2 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE-L'AUTORITE COMPETE 1. The undersigned, certify that the goods described above have been charged again category shown in box No 4 by the provisions regulating fields in textile products w Je soussigné certifie que les marchandises désignées cridessus ont été imputées s cesignée dans le case No 4 dans le cadre des dispositions régissant les échanges 4 Competent authority (name, No appress, county)	nst the quantitative limit established for finith. Norway our la limite quantitative fixes door fannes de produits testifes avec. La. Norv	indiques dans la case N ège	o 3 pour la calégor	
Autorité compétente (non, aéresse compéte, pers)	At - A	` on - le		
	(Signature)	eStame.	- Catrell	