# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1094\*
7 October 1985
Special Distribution

Textiles Surveillance Body

#### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 4:4

#### Bilateral Agreement between Norway and the Philippines

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

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4, has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

In its notification under Article 2:1 (COM.TEX/SB/1007), Norway had informed the TSB that it had concluded an agreement with the Philippines under the 1981 Protocol of Extension.

<sup>&</sup>lt;sup>2</sup>See COM.TEX/SB/35, Annex B.

 $<sup>^3</sup>$ For the TSB's observations on this notification, see COM.TEX/SB/1104.

<sup>\*</sup>English only/Anglais seulement/Inglés solamente

# AGREEMENT BETWEEN THE GOVERNMENT OF NORWAY AND THE GOVERNMENT OF THE PHILIPPINES RELATING TO THE EXPORTS FROM THE PHILIPPINES OF CERTAIN TEXTILE PRODUCTS FOR IMPORTS INTO NORWAY

#### Introduction

- 1. This Agreement set out the arrangements that have been made between the Government of Norway and the Government of the Philippines regarding the exports of certain textile p. ducts from the Philippines for imports into Norway.
- 2. These arrangements have been made having regard to the Arrangement Regarding International Trude 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 and Article 4 of the MFA.

#### Coverage

3. These arrangements apply to the Philippines export to Norway of the textile products listed in Annex A to this Agreement, when these are made of cotton, wool or man-made fibres, or blends 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. Notwithstanding these provisions, this Agreement shall also apply to the products described in Annex A which are manufactured from impregnated fabrics as define! in a note to Annex A.

#### Classification

- 4. For the purpose of classifying textile products in the appropriate category, the definitions and notes set out in Annex A will apply.
- 5. In case of divergent opinions between the competent authorities of the Philippines and the competent Norwegian authorities at the point of entry into Norway on the classification of products covered by this Agreement, consultations as provided for in Article 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 Philippines 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 at the point of entry, in conformity with the provisions of this Agreement.

#### Restraint levels

6. For products listed in Annex B to this Agreement, the Philippines shall for each quota period during the term of this Agreement restrain its exports to Norway to the limits set out in Annex B, or the limits modified as provided for in Article 7 of this Agreement.

#### Flexibility provisions

7. Any quantitative limit set out in Annex B may, after consultation between the Government of the Philippines and the Government of Norway as provided for in Article 15 be exceeded in either year of any two subsequent agreement years by carry forward and/or carryover. Carryover and carry forward taken together shall not exceed 5 per cent, of which carry forward shall not represent more than .5 per cent.

#### Products covered by the Agreement without quantitative limits

8. Imports of textile products covered by this Agreement which are not subject to quantitative limits shall be subject to a system of administrative control. These products will be subject to a dual system of export and import licensing.

When import licences of a product listed in Annex A not subject to quota restraint have been issued up to a level corresponding to 1.5 per cent of the preceding year's total imports into Norway of that product, the Norwegian Government may request consultations in order to establish a quantitative limit for the product concerned.

Pending a mutually acceptable solution through this consultation, the Norwegian Government may fix quantitative limit at the volume reached by imports of the product in question in the twelve-month period preceding notification.

#### Administration

9. Exports from the Philippines to Norway of textile products listed in Annex B shall be subject to a double-checking system of export and import licensing as specified in Annex C of the Agreement.

#### Circumvention

10. The Government of Norway and the Government of the Philippines 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 Philippine origin listed in Annex B to this Agreement have been imported into Norway be trans-shipment, rerouting or otherwise, in circumvention of the arrangements set out in this Agreement, Norway may ask for consultations as provided for in Article 15 of this Agreement, with a view to agree on an appropriate adjustment of the quantitative limits for the products concerned.

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 made, the Norwegian authorities shall, if evidence of circumvention has been provided, have the right to carry out a compensatory reduction of the corresponding restraint level for the current or the following calendar year.

#### Seasonal fluctuations

11. The Government of the Philippines will endeavour to ensure that exports of textile products subject to quantitative limits are spaced out as evenly as possible each calendar year, due account being taken of 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.

#### Re-exports

13. Exports from the Philippines to Norway of textile products covered by this Agreement shall not be subject to the quantitative limits established in Annex B, provided that the export licence certifies that the products concerned are for re-export outside Norway.

Where the competent Norwegian authorities have evidence that products exported from the Philippines and set off by the Philippines against a quantitative limit established in Annex B have been subsequently re-exported outside Norway, the Norwegian authorities shall within sixty days from the date of re-exports notify the Government of the Philippines of the quantities involved. Upon receipt of such notification, the Government of the Philippines 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 quantitative limits established in Annex B.

#### Exchange of statistics

- 14. For all products covered by this Agreement the Government of the Philippines undertakes to provide the Government of Norway with monthly statistics of all export licences issued by the authorities for each category for the current quota period. For products listed in Annex B, these statistical reports shall also set out:
  - (i) the maximum export level for each category for the relevant quota period;
  - (ii) the modified limit if the quota has been modified as provided for in Article 7 of this Agreement; and
  - (iii) the rate of utilization of the quota.

The Government of Norway will provide the Government of the Philippines with monthly statistics of licences issued and quarterly statistics for actual imports from the Philippines of all categories covered by this Agreement.

Each monthly report shall be transmitted before the end of the following month. Quarterly reports shall be transmitted before the end of the following quarter.

#### Consultations

15. The Government of the Philippines and the Government of Norway 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 reasons 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.

#### Other textile products

16. The Norwegian Government reserves its rights under the MFA with respect to textile products not covered by this Agreement.

#### General

17. 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.

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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 Article 18 of this Agreement.

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

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

Done in Manila on 17 October 1984 in two originals in the English language, both texts being equally authentic.

On behalf of the Government of the Kingdom of Norway

On behalf of the Government of the Republic of the Philippines

Knut Mørkved (Ambassador of Norway) Alfredo Pio De Roda, Jr. (Acting Minister of Finance and Vice-Chairman of the Garments and Textile Export Board)

# ANNEX A

Category Number	<u>Unit</u>	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.
<b>9</b>	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").

Category Number	Unit	Description
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 maximum height 110 cm).
15	Pieces	Men's, boys', women's and girls' outer garments of woven material:
		<ul> <li>Ulsters, overcoats, capes and coats (except those impregnated or coated with oil, varnish, rubber, artificial plastic materials and the like).</li> </ul>
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.
20	Pieces	Outer garments of woven material, men's, boys', women's and girls' impregnated or coated with oil, varnish, rubber, artificial plastic materials and the like.
21	Pieces	Undergarments of woven material, women's and girls' wear (except nightwear).

#### NOTE TO ANNEX A

#### Definition of "impregnated fabrics" for the purposes of Article 3

- 1. Fabrics of cotton, wool or man-made fibres or any blend containing one or more of those fibres in which either wool represents 17 per cent or more by weight or any or all of those fibres in combination represent 50 per cent or more by weight of the unfinished fabric shall be defined as "impregnated fabrics" where those fabrics have been impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials whatever the nature of the plastic material (compact, foam, sponge or expanded).
- 2. The definition does not cover:
  - (a) fabrics which, after impregnation, coating, covering or lamination, cannot, without fracturing, be bent manually around a cylinder of a diameter of 7 mm at a temperature between  $15^{\circ}$ C and  $30^{\circ}$ C.
  - (b) fabrics either completely embedded in artificial plastic material or coated or covered on both sides with such material.

ANNEX B

Category No.	Unit	1 July 1984-31 December 1984	1985	1986
1	pieces	19,895	39,989	40,189
2	pieces	71,413	142,968	143,111
3	pieces	29,585	59,466	59,763
4	pieces	42,335	85,093	85,519
5	pieces	60,700	121,521	121,643
6	pieces	68,863	137,863	138,000
7	kgs	4,235	8,512	8,555
8	pieces	42,338	85,098	85,524
9	pairs	39,535	79,465	79,863
10	pieces	14,625	29,981	30,731
11	pieces	14,625	29,981	30,731
12	pieces	17,385	35,639	36,530
18	pieces	11,590	23,760	24,353

#### ANNEX C

#### ADMINISTRATIVE CO-OPERATION

- 1. The competent authorities of the Philippines shall issue an export licence/certificate of origin in respect of all exports from the Philippines to Norway of products covered by Annex A. The export licence/certificate of origin shall be issued by the Garments and Textile Export Board of the Philippines.
- 2. For categories covered by Annex B, the export licence/certificate of origin shall conform to the specimen attached as Annex D. The authorities of the Philippines shall issue export licences/certificates of origin up to the quantitative limits set forth in Annex B (as modified in accordance with Article 7 of this Agreement). The export licence/certificate of origin must certify that the quantity of the product in question has been set off against the quantitative limit prescribed for the category of the product in question.
- 3. For categories under surveillance, the competent authorities of the Philippines shall, for all exports to Norway, issue export licences/certificates of origin conforming to the specimen attached as Annex E.
- 4. Each export licence/certificate of origin shall cover not more than three categories of products listed in Annex A to this Agreement.
- 5. Exports shall be set off against the quantitative limits established for the year in which shipment of the goods has been effected.
- 6. The presentation of an export licence/certificate of origin pursuant to paragraph 7 below, shall be effect not later than 31 January of the year following the year in which the goods covered by the export licence/certificate of origin have been shipped.
- 7. Importation into Norway of textile products subject to quantitative limits 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/certificate of origin.

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

The competent Norwegian authorities shall cancel the issued import documents if the corresponding export licence/certificate of origin has been withdrawn.

However, if the competent Norwegian authorities have not been notified about the withdrawal or cancellation of the export licence/certificate of origin until after the products have been imported into Norway, the quantities involved shall be set off against the quantitative limit for the category and the quota year in question and the authorities of the Philippines shall be informed as soon as possible.

- 9. If the competent Norwegian authorities find that the total quantities covered by export licences/certificates of origin issued by the authorities of the Philippines for a particular category in any quota period exceed the quantitative limit 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 Philippines and the special consultation procedure set and in Article 15 of the Agreement shall be initiated forthwith.
- 10. Exports of Philippine origin not covered by export lice is/certificates of origin issued by the authorities of the Philippines in accordance with the provisions of this Annex, shall not be issued appropriate import documents by the competent Norwegian authorities.
- 11. The export licence/certificate of 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/certificate of origin shall bear a serial number, by which it can be identified.

The export licence/certificate of origin shall also indicate the name and address of the manufacturer, if different from the exporter. The detailed description of the goods shall include tariff classification numbers, if possible both in the systems of the Philippines and of Norway.

13. In the event of theft, loss or destruction of an export licence/certificate of 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 must bear the date of the original export licence/certificate of origin.

14. The Government of the Philippines shall send the Norwegian Ministry of Trade the names and addresses of the governmental authorities competent to issue and verify export licences/certificates of origin together with specimens of the stamps used by these authorities. The Government of the Philippines shall also notify the Ministry of any change in this information.

# ANNEX D

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5 Importer (name, full address, country)	PHILIPPINES - NORWY TEXTILES MERCHENT EXPORT LITENSE/CERTIFICATE OF CRUCIN (Textile Products).		
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# ANNEX E

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