GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1119^{*}
20 December 1985

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between Sweden and Yugoslavia

The Textiles Surveillance Body has received a notification from Sweden of a new bilateral agreement with Yugoslavia, concluded under Article 4 of the MFA, valid for the period 1 January 1983 to 31 December 1986. A subsequent amendment made in 1985 was also notified as an integral part of the agreement.

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

¹The previous agreement and provisional extension are contained in COM.TEX/SB/724 and 837

²See COM.TEX/SB/35, Annex B

 $^{^3}$ For the TSB's observations on this notification, see COM.TEX/SB/1129

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

AGREEMENT BETWEEN THE FEDERAL EXECUTIVE COUNCIL OF THE ASSEMBLY OF THE SOCIALIST FEDERATIVE REPUBLIC OF YUGOSLAVIA AND THE GOVERNMENT OF SWEDEN REGARDING EXPORTS OF CERTAIN TEXTILE PRODUCTS FROM YUGOSLAVIA TO SWEDEN

Article 1

The following Agreement has been reached on the basis of the Arrangement Regarding International Trade in Textiles, particularly Article 1:2 and Article 4 thereof and the provisions of GATT document L/5276.

Article 2

This Agreement shall apply for the periods specified in Annex I.

Article 3

The Federal Executive Council of the Assembly of the SFR of Yugoslavia has agreed to limit exports from Yugoslavia to Sweden of the textile products listed in Annex I to the aggregate level and to the specific group levels set out therein, subject to the provisions of Article 6 of this Agreement. The date of issue of Customs Declarations is considered to be the date of exportation.

Article 4

- (a) This Agreement shall apply to exports from Yugoslavia to Sweden of the textile products described in Annex I hereof, of cotton, wool or 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).
- (b) The provisions of this Agreement shall also apply to the products described in Annex I hereof, which are manufactured from impregnated fabrics as defined in Annex II of this Agreement.

Article 5

The Government of Sweden will admit imports of the textile products of Yugoslav origin, listed in Annex I. Such imports shall be covered by an Export Licence as per specimen in Annex III. Such a document shall be issued by the General Association of Textile and Clothing Industry, Belgrade, be consecutively numbered, state the group number, and bear an endorsement that the consignments concerned have been approved and debited to the agreed specific level for exports to Sweden for the relevant period.

Article 6

In addition to the swing incorporated in the specific group levels in Annex I, the following provisions shall apply:

- (a) If in the period 1 January-31 December 1982 exports from Yugoslavia to Sweden of the products covered by specific group levels in Annex I to the Agreement dated 27 May 1981 are less than the corresponding levels specified in column (f) of that Annex, carryover of such shortfalls to the corresponding levels for the following agreement year may be agreed, following consultations, for each group, up to between 0.5 per cent and 4 per cent of the specific level for that following agreement year.
- (b) If in any one agreement year the specific group levels in Annex I to this Agreement are not fully utilized carryover of such shortfalls to the corresponding levels for the following agreement year may be agreed, following consultations, for each group, up to between 0.5 per cent and 4 per cent of the specific levels for that following agreement year.
- (c) In any one agreement year advance use of the specific levels established for the following agreement year may be agreed, following consultations, for each group up to between 0.5 per cent and 4 per cent of the specific levels for the current agreement year. Where specific group levels are increased by carry forward, the Federal Executive Council of the SFR of Yugoslavia shall inform the Government of Sweden of the carry forward quantities and debit these to the corresponding specific group levels that have been or may be agreed upon for the succeeding agreement year or the subsequent restraint period.
- (d) For the purpose of calculating swing the conversion factors in Annex IV shall apply.

Article 7

If the information available to the Swedish authorities shows that the quantitative limit for the category of products specified in an Export Licence has already been reached or the unused portion of that limit is insufficient to cover the goods specified in the licence, the said authorities may refuse to admit any quantity in excess of the quantitative limit. In this event the Government of Sweden shall inform the Federal Executive Council of the Assembly of the SFR of Yugoslavia as soon as possible.

Should any excess quantity be permitted to enter Sweden, the overshipped quantity shall be deducted from the relevant level which is or may be agreed upon for the following restraint period.

Article 8

Both parties regard it as essential that exports from Yugoslavia to Sweden of the textile products listed in Annex I are evenly spaced throughout the period of agreement taking into account normal seasonal factors and that, in the allocation of quotas, due consideration is given to traditional patterns of trade. Accordingly, the Federal Executive Council of the Assembly of the SFR of Yugoslavia undertakes to provide a procedure to achieve this.

Article 9

Should it come to the attention of the Government of Sweden that textile products subject to this Agreement licensed by the Federal Executive Council of the Assembly of the SFR of Yugoslavia for export to Sweden and debited to the levels set out in Annex I have been imported into Sweden and subsequently re-exported therefrom, the Federal Executive Council of the Assembly of the SFR of Yugoslavia shall be informed and consultations may be requested in accordance with Article 11 of this Agreement.

Article 10

The Federal Executive Council of the Assembly of the SFR of Yugoslavia has agreed to forward to the Government of Sweden, via the Embassy of Sweden in Belgrade, monthly statistics on a cumulative basis of the quantities of the groups 2, 5, 6, 7, 8, 9, 13, 14 and the "rest group", listed in Annex I, for which duly endorsed Export Licences for exports to Sweden have been issued for the relevant period of agreement. The statistics shall reach the Government of Sweden within a period of two months from the month under reference. The Government of Sweden will forward to the Federal Executive Council of the Assembly of the SFR of Yugoslavia, via the Embassy of Sweden in Belgrade, monthly statistics on a cumulative basis of licences issued for imports from Yugoslavia and quarterly statistics of total imports from Yugoslavia and imports from other significant suppliers in respect of the products subject to this Agreement.

Article 11

In order to ensure the proper functioning of this Agreement, the Federal Executive Council of the Assembly of the SFR of Yugoslavia and the Government of Sweden shall, as far as possible, refrain from taking additional trade measures which would have the effect of nullifying the objectives of this Agreement.

Article 12

The Government of Sweden and the Federal Executive Council of the Assembly of the SFR of Yugoslavia agree to consult each other, at the request of either party, if any problem should arise from the implementation of this Agreement.

The Government of Sweden and the Federal Executive Council of the Assembly of the SFR of Yugoslavia furthermore agree to enter into consultations before the end of the period of this Agreement on the extension, modification or elimination of the limitations for the ensuing period.

Article 13

The Federal Executive Council of the Assembly of the SFR of Yugoslavia and the Government of Sweden agree to collaborate with a view to taking appropriate action to avoid circumvention of limitations by such devices as trans-shipment, re-routing, fraud, etc.

Article 14

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

Article 15

The Annexes to this Agreement shall be considered as integral parts of it.

Article 16

This Agreement shall be implemented from the day of signing and shall enter into force when both parties inform each other through diplomatic channels that necessary constitutional procedures have been completed.

Article 17

This Agreement has been drawn up in two copies in the English language, each of those being equally authentic.

Done in Belgrade on 31 October 1983.

For the Federal Executive Council of the Assembly of the SFR of Yugoslavia For the Government of Sweden

Mila Kljajic

Lennart Myrsten

ANNEX I

Exports of Certain Textiles from Yugoslavia to Sweden

Group No.	Ex Swedish Tariff Classification No.	Description	Unit	Level for period 1.1.1983-31.12.1983	Level for period 1.1.1984-31.12.1984	Level for period 1.1.1985-31.12.1985	Level for period 1.1.1986-31.12.1986
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
AGGREG	ATE LEVEL	In respect of the following	Kgs	1,311,525	1,318,083	1,324,673	1,331,296
2	60.04.10- 60.03.20-	Shirts	Pcs	303,582	303,885	304,189	304,492
5	60.05.30-	Sweaters, pullovers, slipovers, jumpers and cardigans etc., knitted or crocheted (including outerwear T-shirts)	Pcs	432,022	411,668	391,061	370,228
6	60.05.80-, 81-, 84-, 87-, 89- 61.01.003, 004, 006, 10-, 45- 61.02.004, 006, 11-, 15-, 99-	Overcoats and jackets	Pcs	255,890	256,402	256,915	257,429
7	60.05.80-, 812, 84-, 87-, 89- 61.01.003, 006, 30-, 41- 61.02.006, 902-906, 909, 99-	Suits, lounge coats and blazers	Pcs	271,242	271,785	272,328	272,873
8	60.05.80-, 83-, 84- 61.01.003, 005, 50- 61.02.005, 60-, 99-	Trousers other than shorts	Pcs	257,064	258,349	259,640	260,939
9	60.05.60- 61.02.006, 20-, 30-, 40-, 99-	Costumes, dresses and skirts	Pcs	246,950	234,988	222,893	210,638
13	62.02.11-, 19-, 792-793	Bed linen	Kgs	95,095	95,190	95,285	95,380
14	62.02.31-, 39-, 792-793	Towels and similar	Kgs	84,957	85,042	85,127	85,212

Group No.	Ex Swedish Tariff Classification No.	Description	Unit	Level for period 1.1.1983-31.12.1983	Level for period 1.1.1984-31.12.1984	Level for period 1.1.1985-31.12.1985	Level for period 1.1.1986-31.12.1986
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Rest G	roup 60.03.00-, 10-, 90-	Stockings, under stockings,) socks, ankle socks,) sockettes and the like,) knitted or crocheted, other) than ladies' stockings of) continuous synthetic fibres)					
3	60.04.21-, 25- 61.03.20- 61.04.10-	Night garments)					
4	60.04.70-, 80-, 90-	Knitted underwear other) than shirts, night garments) and tights)					
10	60.05.80-, 82-, 84- 61.02.006, 50-, 99-	Blouses)					
lla	60.05.10-, 80-, 84-, 896 61.01.003, 006, 901-902 61.02.006, 901, 907, 903-904, 906, 909, 99-	Tracksuits)					
11ь	60.05.20-, 80-, 84-, 896 61.01.003, 006, 904-909 61.02.006, 902- 906, 909, 99-	Bathing suits and trunks)					
lle	60.05.80-, 84-, 87-, 89- 61.01.003, 006, 70- 61.02.006, 80-, 99-	Shorts)	Kgs	179,601	179,772	179,943	180,114
lld	60.04.60-	Panty hose and tights)					
11£		Other outer garments,) knitted or crocheted)					
llg		Other woven outer garments,) impregnated, coated,) covered or laminated and) of continuous regenerated) fibres if men's and boys') wear)					
11h	95-	Other woven outer garments,) men's, boys', women's and) girls' wear)					
111		Other woven outer garments,) infants' wear)					;
12	62.01.all	Travelling rugs and blankets)					

^{*}In the previous agreement restrained as a specific Group

ANNEX II

Definition of "impregnated fabrics" for the purposes of Artacle 4

- 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°C and 30°C.
 - (b) fabrics either completely embedded in artificial plastic material or coated or covered on both sides with such material.

ANNEX III

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ANNEX IV

For the purpose of calculating swing, the following conversion factors shall apply:

Group No.	Description	Conversion Factor per kg.
2	Shirts	4.6
5	Sweaters, etc.	4.53
6	Overcoats, etc.	0.9
7	Suits, etc.	0.8
8	Trousers	1.76
9	Costumes, etc.	2.85
13	Bed linen	1.0
. 14	Towels, etc.	1.0
R	Rest Group	1.0

SWEDISH NOTE

The Ministry for Foreign Affairs presents its compliments to the Embassy of the Socialist Federative Republic of Yugoslavia and, with reference to the agreement between the Federal Executive Council of the Assembly of the Socialist Federative Republic of Yugoslavia and the Government of Sweden regarding exports of certain textile products from Yugoslavia to Sweden signed on 31 October 1983, has the honour to communicate the following:

The Government of Sweden propose that Annex 1 of the above-mentioned agreement be amended as follows:

Group No.	Ex Swedish Tariff Classification No.	Description	Unit	Level for period 1.1.1983-31.12.1983	Level for period 1.1.1984-31.12.1984	Level for period 1.1.1985-31.12.1985	Level for period 1.1.1986-31.12.1986
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
5	60.05.30-	Sweaters, pullovers, slipovers, jumpers and cardigans etc., knitted or crocheted (including outerwear T-shirts)	Pcs	500,500	501,001	501,502	502,003
9	60.05.60- 61.02.006, 20-, 30-, 40-, 99-	Costumes, dresses and skirts	Pes	286,486	286,773	287,059	287,347

The Ministry has further the honour to propose that if the above proposed amendment is acceptable to the Federal Executive Council of the Assembly of the Socialist Federative Republic of Yugoslavia, this note and the Embassy's note in reply to that effect shall constitute an agreement between the two governments, to enter into force on the date of the Embassy's note in reply.

The Ministry for Foreign Affairs avails itself of this opportunity to renew to the Embassy of the Socialist Federal Republic of Yugoslavia the assurances of its highest consideration.

YUGOSLAV NOTE

The Embassy of the Socialist Federal Republic of Yugoslavia presents its compliments to the Ministry for Foreign Affairs and, with reference to the Ministry's note of 27 September 1985, has the honour to inform that the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia accepts the proposed amendment of the agreement between the Federal Executive Council of the Assembly of the SFR of Yugoslavia and the Government of Sweden regarding exports of certain textile products from Yugoslavia to Sweden signed on 31 October 1983, as follows:

Group No.	Ex Swedish Tariff Classification No.	Description	Unit	Level for period 1.1.1983-31.12.1983	Level for period 1.1.1984-31.12.1984	Level for period 1.1.1985-31.12.1985	Level for period 1.1.1986-31.12.1986
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
5	60.05.30-	Sweaters, pullovers, slipovers, jumpers and cardigans etc., knitted or crocheted (including outerwear T-shirts)	Pcs	500,500	501,001	501,502	502,003
9	60.05.60- 61.02.006, 20-, 30-, 40-, 99-	Costumes, dresses and skirts	Pcs	286,486	286,773	287,059	287,347

The Federal Executive Council of the Assembly of the SFR of Yugoslavia has also agreed that this Embassy's note in reply to the note of the Ministry for Foreign Affairs, dated 27 September 1985, shall constitute an agreement between the two governments, and will enter into force on the date of the Embassy's note.

The Embassy of the Socialist Federal Republic of Yugoslavia avails itself of this opportunity to renew to the Ministry for Foreign Affairs the assurances of its highest consideration.