

# GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1309\*

7 October 1987

## TARIFFS AND TRADE

Special Distribution

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Textiles Surveillance Body

### ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

#### Notification under Article 4:4

#### Bilateral Agreement between Finland and Romania

The Textiles Surveillance Body received a notification from Finland of a bilateral agreement<sup>1</sup> concluded with Romania for the period 1 January 1987 to 31 December 1990.

The TSB, pursuant to<sup>2</sup> its procedures regarding bilateral agreements notified under Article 4,<sup>2</sup> has examined the relevant documentation and is forwarding the text of the notification to participating countries for their information.

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<sup>1</sup>The previous agreement between the parties is contained in COM.TEX/SB/832.

<sup>2</sup>COM.TEX.SB/35, Annex B

\* English only/Anglais seulement/Inglés solamente

MEMORANDUM OF UNDERSTANDING

During the consultations held in Helsinki on 16 - 19th March, 1987 between the Government of Finland and the Government of Romania, having regard to the Arrangement Regarding International Trade in Textiles, in particular Articles 1 and 4 and to the Protocol of 31st July, 1986, extending the said Arrangement, and having regard to Romania's status of a developing country agreement was reached as follows:

1. The following arrangements shall apply for the period from 1st January 1987 to 31st December 1990.
2. The Socialist Republic of Romania will authorize exports into Finland of textile products included in Annex I, originating in and consigned from Romania up to the levels mentioned in that Annex.
3. Finland will for the purpose of the present arrangement admit imports of the textile products of Romanian origin set out in Annex I to the agreed limits provided that such imports into Finland are covered by an export licence and a certificate of origin, as per specimens at Annex II and III, issued by the Romanian authorities listed at Annex IV. The export licence shall bear an endorsement by competent officials to the effect that the consignment concerned has been debited to the agreed levels for exports to Finland for the relevant period. The date of shipment indicated on the shipping documents shall be considered to be the date of exportation.

The Government of Finland will inform the Romanian authorities when imports into Finland of the textile products that have been debited to the agreed limits are subsequently re-exported from Finland.

Romania may then credit the quantities involved to the appropriate limits.

4. If the information available to the Finnish authorities shows that the quantitative limits for the products specified in Annex I have already been reached or that the unused balances of those limits are insufficient to cover the goods specified in the export licence, the Finnish authorities may, subject to the provisions of Articles 5 and 6 not admit,

after prior notification to the Romanian authorities, import of such products for any quantity in excess of the quantitative limits set out in Annex I. In such a case the Finnish authorities shall immediately inform the Romanian authorities of their decision.

5. Exports may exceed the limits in Annex I by 5 per cent, provided that a corresponding reduction is applied to an limit.

For the purpose of calculating a reduction the conversion factors listed in Annex I shall apply.

6. Carry-over and carry forward taken together shall not exceed 11 per cent, of which carry forward shall not represent more than 6 (six) per cent. Carry-over may apply between the last year of the preceding agreement (1986) and the first year of this agreement (1987).
7. Romania shall endeavour to ensure that exports of the textile products subject to quantitative limits are spaced out as evenly as possible over the year due account being taken, in particular of seasonal factors.
8. For the textile products not covered by Annex I to this Arrangement, the following specific consultation procedures shall apply:

- a) The Finnish authorities may request consultations with the Romanian authorities with a view to reaching a mutually acceptable solution when conditions on the Finnish market are such that a limitation on further trade in certain of these textiles or textile products may be necessary to eliminate real risks of market disruption.

The request for such consultations shall be accompanied, within a reasonable period of time by a statement of the market conditions which necessitate the request for consultations. The statement shall include data in respect of the existence of real risks of market disruption (as defined in Annex A to the Arrangement Regarding International Trade in Textiles).

b) Until such time as a mutually accepted solution has been reached, the Romanian authorities undertake, if so requested by the Finnish authorities, to limit shipments from the date on which Finland requests consultations, in order to ensure that exports of the products in question to Finland do not exceed, based on an annual rate, the level of 102 % of the exports recorded in the twelve month period ending two months before the month in which the request for consultation was made.

The amount of products exported from Romania after the receipt of the request for consultations shall be deducted from any restraint level to be agreed in the consultations.

c) The Parties shall enter into consultations within one month at the latest of the notification of the request with a view to reaching agreement within one further month at the latest.

d) Should the Parties be unable to reach a satisfactory solution Finland shall have the right to introduce a quantitative limit at an annual level not lower than 102 % of that reached by imports of the product in question in the twelve-month period terminating two months preceding the month in which the request for consultations was made. The annual growth rate of this limit shall be 3 (three) per cent.

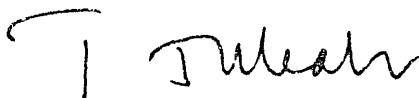
e) If the two Governments are unable to reach a mutually satisfactory solution within a reasonable period of time on problems which have been subject to consultations under this Agreement, either Government may, after notification to the other Government, refer such problems to the Textiles Surveillance Body in accordance with Article 11 of the Arrangement regarding International Trade in textiles.

9. Finland and Romania agree to consult together, at the request of either party on any matter arising from the implementation of these arrangements. They furthermore agree to enter into consultations on possible extension or modification of the present arrangements.

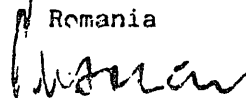
10. If Romania considers that, as a result of the restraint imposed by these arrangements, Romania is being placed in an inequitable position vis-à-vis a third country, Romania may request the Government of Finland to consult with a view to appropriate remedial action such as reasonable modification of these arrangements.
  
11. Romania will forward to Finland quarterly statistics on a cumulative basis on exports of the textile products for which export licences for export to Finland have been issued. Finland will forward to Romania quarterly statistics on a cumulative basis on imports of the said textile products.
  
12. The Annexes to this Memorandum of Understanding shall form an integral part thereof.

Done in Helsinki on 19th March, 1987 in two originals in the English language.

For the Government of the  
Republic of Finland



For the Government of the  
Socialist Republic of  
Romania



Tariff Classification	Description	Unit of quantity	Unit of				conversion fac (pairs,pieces/
			1987	1988	1989	1990	
5903.10	Stockings, under stockings, socks, anklesocks, sockettes and the like, knitted or crocheted	Pairs	690.000	703.800	717.876	732.233	24,3
6109.10	Under garments, knitted or crocheted	Pieces	141.815	144.651	147.544	150.495	17
6109.10	Outer garments, knitted or crocheted	Pieces	174.356	177.843	181.400	185.028	5,55
6109.10	Men's and boys' shirts of cotton and man-made fibres	Pieces	58.184	59.353	60.540	61.751	4,6

ANNEX II

The table is extremely faint and contains illegible text. It appears to have several columns and rows, but the content is completely unreadable.

VERY BAD ORIGINAL

<p>1 Exporter (name, full address, country)          Exportateur (nom, adresse complète, pays)</p>	<p>ORIGINAL</p>	<p>2 No</p>	
<p>5 Consignee (name, full address, country)          Destinataire (nom, adresse complète, pays)</p>	<p>3 Date year          Année Contingentaire</p>	<p>4 Category number          Numéro de catégorie</p>	
<p>CERTIFICATE OF ORIGIN          (Textile products)</p> <p>CERTIFICAT D'ORIGINE          (Produits textiles)</p>			
<p>6 Place and date of shipment - Address of transport          Lieu et date d'embarquement - Adresse de transport</p>	<p>6 Country of origin          Pays d'origine</p>	<p>7 Country of destination          Pays de destination</p>	
<p>8 Place and date of shipment - Address of transport          Lieu et date d'embarquement - Adresse de transport</p>	<p>9 Supplementary details          Détails supplémentaires</p>		
<p>10 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS          Marques et numéros - Numéros et nature des colis - DÉSIGNATION DES MARCHANDISES</p>		<p>11 Quantity (1)          Quantité (1)</p>	<p>12 FOB Value (2)          Valeur FOB (2)</p>
<p>13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITÉ COMPÉTENTE</p> <p>I, the undersigned, certify that the goods described above originated in the country shown in box No 6, in accordance with the provisions in force in the EFTA States.          Je soussigné certifie que les marchandises décrites ci-dessus sont originaires du pays figurant dans la case No 6, conformément aux dispositions en vigueur dans les États de l'AELE.</p>			
<p>14 Competent authority (name, full address, country)          Autorité compétente (nom, adresse complète, pays)</p>	<p>U - A</p>		

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ANNEX JV

- Ministry of Light Industry

M I N U T E

Between March 16 and 19, 1987, negotiations were held in Helsinki for the conclusion of a Memorandum of Understanding on the export of Romania textile goods for import to Finland, applying for the period from 1st January 1987 to 31st December 1990.

The Romanian delegation was led by Mrs. Teodora Vişoescu, Deputy Director, in the Ministry of Foreign Trade and International Economic Cooperation of Romania and the Finnish delegation by Mr. Teppo Takala, Assistant Director in the Ministry of Foreign Affairs of Finland.

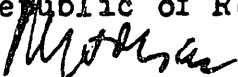
The Parties have agreed on and signed the present Memorandum of Understanding subject to approval by the appropriate authorities, in accordance with the legal procedures in force in their countries.

The Parties will notify each other as soon as this Memorandum is approved.

In the meantime its provisions shall be applicable to the Romanian exports to Finland of those categories of textile products which are governed by its provisions.

Made in Helsinki on 19 March 1987

For the Government  
of the Socialist  
Republic of Romania



For the Government  
of the Republic  
of Finland

