GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

COM.TEX/SB/1372* 5 April 1988 Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral agreement between the EEC and Hong Kong

The Textiles Surveillance B.dy received a notification from the EEC of a bilateral agreement concluded with Hong Kong for the period 1 January 1987 to 31 December 1991.

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

88-0491

¹The previous bilateral agreement and modifications and an additional Protocol are contained in COM.TEX/SB/925, 1041 and 1203.

²COM.TEX/SB/35, Annex B

 $^{^{3}}$ For the TSB's observations on this notification see COM.TEX/SB/1377.

English only/Anglais seulement/Inglés solamente

AGREEMENT BETWEEN THE EUROFEAN ECONOMIC COMMUNITY AND HONG KONG ON TRADE IN TEXTILE PRODUCTS

AGREEMENT

BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND HONG KONG ON TRADE IN TEXTILE PRODUCTS

THE COUNCIL OF THE EUROPEAN COMMUNITIES of the one part, and THE GOVERNMENT OF HONG KONG, of the other part,

REGOGNIZING the importance of trade in textile products between the European Economic Community (hereinafter referred to as the "Community") and Hong Kong,

HAVING REGARD to the Arrangement regarding International Trade in Textiles and in particular Article 4 thereof and to the Protocol adopted on 31 July 1986 in accordance with the Conclusions of the Textiles Committee forming an integral part of the Protocol, which Arrangement and Protocol are hereinafter referred to as the "Geneva Arrangement".

HAVE DECIDED to conclude this Agreement and to this end have designated as their Plenipotentiaries,

THE COUNCIL OF THE EUROPEAN COMMINITIES :

THE GOVERNMENT OF HONG KONG :

WHO HAVE AGREED AS FOLLOWS :

Section I : Trade Arrangements

Article 1

1. The parties recognize and confirm that, subject to the provisions of this Agreement and without prejudice to their rights and obligations under the General Agreement on Tariffs and Trade, the conduct of their mutual trade in textile products shall be governed by the provisions of the Geneva Arrangement.

2. In respect of the products covered by this Agreement, the Community undertakes not to introduce quantitative restrictions under Article XIX of the General Agreement on Tariffs and Trade or Article 3 of the Geneva Arrangement.

3. Measures having equivalent effect to quantitative restrictions on the importation into the Community of the products covered by this Agreement shall be prohibited.

Article 2

- This Agreement shall apply to trade in textile products of cotton, wool and man-made fibres originating in Hong Kong which are listed in Annex I.
- 2. The classification of the products covered by this Agreement is based on the Nomenclature of the Common Customs Tariff and on the Nomenclature of Goods for the External Trade Statistics of the Community and the Statistics of Trade between Member States (NIMEXE).

From the entry into force in the Community of the International Convention on the Harmonized Commodity Description and Coding System (HS) this classification will be based on the Harmonized System and on the Community nomenclatures derived from that system.

3. The origin of the products covered by this Agreement shall be determined in accordance with the rules in force in the Community and the procedures for control of the origin of the products set out in Protocol A.

Hong Kong agrees to restrain its exports to the Community of the products described in Annex II to the limits set out therein for each Agreement year.

Exports of textile products set out in Annex II shall be subject to a double-checking system specified in Protocol A.

Article 4

Hong Kong and the Community recognize the special and differential character of re-imports of textile products into the Community after processing in Hong Kong.

Such re-imports may be provided for outside the quantitative limits established under this Agreement provided that they are effected in accordance with the regulations on economic outward processing in force in the Community.

Article 5

1. Exports to the Community of textile products covered by this Agreement shall not be subject to the quantitative limits established in Annex II, provided that they are declared to be for re-export outside the Community in the same state or after processing, within the framework of the administrative system of control which exists within the Community.

However, the release for home use of products imported under the conditions referred to above shall be subject to the production of an export licence issued by the Hong Kong authorities and to proof of origin, in accordance with the provisions of Protocol A.

2. Where the competent authorities in the Community have evidence that products exported from Hong Kong and set off by Hong Kong against a quantitative limit established in Annex II have been subsequently re-exported outside the Community, the authorities concerned shall notify Hong Kong of the quantities involved. Upon receipt of such notification, Hong Kong may authorize exports for the current or the following Agreement year of identical quantities of products, within the same category, which shall not be set off against the quantitative limits established in Annex II.

1. In any one Agreement year advance use of a portion of the quantitative limit established for the following Agreement year may be agreed following consultations in accordance with the procedures referred to in Article 14, paragraph 1 for each category of products between 1 % and 5 % of the quantitative limit for the current Agreement year. Amounts delivered in advance shall be deducted from the corresponding quantitative limits established for the following Agreement year.

2. Carryover to the corresponding quantitative limit for the following Agreement year of amounts not used during any one Agreement year may be agreed following consultations in accordance with the procedures referred to in Article 14, paragraph 1 for each category of product between 2 % and 7 % of the quantitative limit for the current Agreement year.

3. Transfers in respect of categories in Group I shall not be made from any categories except as follows :

- transfers between categories 2 and 3 may be made for any Agreement year up to 4% of the quantitative limit for the category to which the transfer is made
- transfers between categories 4, 5, 6, 7 and 8 may be made for any Agreement year up to 4% of the quantitative limit for the category to which the transfer is made.

Transfers into any category in Groups II and III may be made from any category or categories in Groups I, II and III for any Agreement year up to 5% of the quantitative limit for the category to which the transfer is made.

The table of equivalence applicable to such transfers is given in Annex I to this Agreement.

4. The increase in any category of products resulting from the cumulative application of the provisions in paragraphs 1, 2 and 3 above during an Agreement year shall not exceed 12 %.

5. Prior notification shall be given by the authorities of Hong Kong in the event of recourse to the provisions of paragraphs 1, 2 and 3 above.

6. Hong Kong shall provide the Community with export data showing the amounts of carryover available in any Agreement year. If substantial statistical differences exist between the export data from which the amount to be carried over is calculated and the Community's data the Community may, within the first 120 days of the following Agreement year, request consultations in accordance with the procedures referred to in Article 14 paragraph 1 on the amounts involved. Any such request shall be accompanied by full particulars of the alleged statistical differences. Where such a request is made, the portions carried over shall not be used until the parties have completed consultations. If no such request is made within a 120-day period, the portion carried over shall be presumed to have been calculated correctly.

Article 7

1. Given the desire of both parties to eliminate real risks of market disruption, and in view of the well-established and effective Hong Kong system of export authorization, the following procedures shall apply.

2. Exports of textile products described in the categories listed in Annex I which are not subject to quantitative limits in Annex II shall be subject to the issue of export authorisations.

3. In respect of textile products covered by export authorisations mentioned in paragraph 2 above, the Community may request consultations in accordance with the procedure described in paragraph 1 of Article 14 with a view to establishing a quantitative limit.

4. Until a mutually acceptable conclusion has been arrived at by means of such consultation, Hong Kong undertakes, if so requested, to suspend from the date of receipt of the request for consultation, the issue of export authorisations for the product or products in any category concerned, and to inform the Community forthwith of the level of quantities covered by export authorisations issued at the time of suspension. The Community shall accept exports from Hong Kong of the product or products concerned in respect of export authorisations issued prior to the receipt of the request for suspension.

5. Should the parties be unable in the course of consultations held in accordance with the provisions of paragraph 3 to reach a mutually acceptable solution, Hong Kong undertakes, if so requested by the Community, to limit exports of the product or products in the category in question for the Agreement year in which the request for consultations is made to an annual level not lower than the highest of the following :

- (a) the level of imports into the Community in 1985 of products originating in Hong Kong in that category;
- (b) the level resulting from the application of paragraph 8 below;

(c) the level resulting from the application of paragraph 9 below;

(d) 106% of the level of exports reached during the calendar year preceding that in which the level of export authorisations issued by Hong Kong exceeded the level resulting from the application of paragraphs 8 and 9 and gave rise to the request for consultations; or

(e) the level of export authorisations already issued at the time of suspension.

6. The annual growth rate for the quantitative limits introduced under this Article shall be determined during the course of the consultations referred to in paragraph 3 above.

7. The provisions of this Article may be invoked by the Community at a regional level.

8. The Community undertakes not to invoke the provisions of paragraph 3 of this Article before the level of export authorisations for textile products mentioned in paragraph 2 in any category exceeds, in relation to the preceding year's total imports into the Community of products in that category, the following rates :

-	for	categories	of	products	in	Group	I	0.48
	for	categories	of	products	in	Group	II	2.0%
-	for	categories	of	products	in	Group	III	6.0%

9. The Community further undertakes not to invoke the provisions of this Article on a regional basis before the level of export authorisations for textile products mentioned in paragraph 2 in any category exceeds the following regional percentages of the levels referred to in paragraph 8 :

Germany	25.5 %
Benelux	9.5 %
France	16.5 %
Italy	13.5 %
Dermark	2.7 %
Ireland	0.8 %
United Kingdom	21.0 %
Greece	1.5 %
Spain	7.5 %
Portugal	1.5 %

10. Up to the date of communication of the statistics referred to in Article 9, paragraph 6 the provisions of paragraph 2 as qualified by paragraphs 7 and 8 of this Article shall apply on the basis of the annual statistics previously communicated by the Community.

11. In order to facilitate forecasts of Hong Kong's future export trends, Hong Kong undertakes to supply the Community with half-monthly statistical returns showing the quantities covered by the export authorisations mentioned in paragraph 1 which are issued under the system to Hong Kong exporters. Such data on export authorisations shall be provided by the Hong Kong authorities promptly in such detail and as frequently as the Community may reasonably request.

12. In the implementation of the provisions of this Article Hong Kong shall notify the Community immediately upon receipt of any application for an export authorisation in an exceptionally large amount.

13. The Hong Kong authorties undertake to notify the Community of any changes to the Export Authorisation System having a direct effect on the implementation of this Agreement. Where necessary, consultations may be requested under paragraph 1 of Article 14 of this Agreement.

14. The provisions of this Agreement which concern exports of products subject to the quantitative limits established in Annex II shall also apply to products for which quantitative limits are introduced under this Article.

1. Hong Kong undertakes to supply the Community with precise statistical information on all export licences issued by the Hong Kong authorities for all categories of textile products subject to the quantitative limits established under this Agreement.

Hong Kong shall set out in its periodical statistical reports the maximum export levels for each category subject to a quantitative limit and the rate of utilization of these levels.

2. The Community shall likewise supply to the Hong Kong authorities precise statistical information on import documents issued by the Community authorities in respect of export licences issued by Hong Kong.

3. The information referred to in paragraphs 1 and 2 shall, for all categories of products, be transmitted before the end of the second month following the quarter to which the statistics related.

4. The Community shall transmit to the Hong Kong authorities import statistics for all products covered by Article 7, and for products covered by Article 5, paragraph 1.

5. The information referred to in paragraph 4 shall, for all categories of products, be transmitted before the end of the third month following the quarter to which the statistics relate.

6. For the purpose of applying the provisions of Article 7 the Community undertakes to provide Hong Kong authorities before 15 April of each year with the preceding year's statistics on imports of all textile products covered by this Agreement, broken down by the supplying country and Community Member States.

7. Should it be found on analysis of the information exchanged above that there are significant discrepancies between the returns for exports and those for imports, consultations may be initiated in accordance with the procedure specified in Article 14 of this Agreement.

Any such consultations shall be resolved on the basis of the agreed descriptions of the products contained in Annex I.

8. Hong Kong also undertakes to supply the Community with statistical information on all textile exports by country of destination. This information shall be transmitted before the end of the third month following the quarter to which the statistics refer.

Article 9

1. The authorities of Hong Kong shall be informed of any amendment to the Common Customs Tariff, the NIMEXE or the HS based nomenclatures of the Community or any decision, made in accordance with the procedures in force in the Community, relating to the classification of products covered by this Agreement.

Any such amendment or any decision which results in a modification of the classification of products covered by this Agreement shall not have the effect of reducing Hong Kong's ability to use the quantitative limits established in Annex II.

The procedures for the application of this paragraph are set out in Protocol A.

2. In case of divergent opinions between Hong Kong and the competent Community authorities at the point of entry into the Community on the classification of products covered by the present Agreement, consultations in accordance with Article 14 paragraph 1 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 Hong Kong shall be informed by the competent authorities of the Community 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 to trade, the products in question shall be imported on the basis of the classification indicated by the competent Community authorities at the point of entry, in conformity with the provisions of this Agreement.

1. Hong Kong and the Community agree to cooperate fully in preventing the circumvention of the present Agreement by transhipment, rerouting or whatever other means.

2. Where information available to the Community as a result of the investigation carried out in accordance with the procedures set out in Protocol A constitutes evidence that products of Hong Kong origin subject to quantitative limits established under this Agreement have been transhipped, rerouted or otherwise imported into the Community in circumvention of this Agreement, the Community may request the opening of consultations in accordance with the procedures described in Article 14 paragraph 1 of this Agreement, with a view to reaching agreement on an equivalent adjustment of the corresponding quantitative limits established under the Agreement.

3. Should the parties be unable in the course of consultation to reach a satisfactory solution within the period specified in Article 14 para 1 of the Agreement, the Community shall have the right, where clear evidence of circumvention has been provided, to deduct from the quantitative limits established under this Agreement amounts equivalent to the products of Hong Kong origin.

Article 11

1. Hong Kong shall endeavour to ensure that exports of textile products subject to quantitative limits are spaced out as evenly as possible over an Agreement year, due account being taken, in particular, of seasonal factors.

2. Export data shall be provided by the Hong Kong authorities promptly in such detail and as frequently as the Community may reasonably request. If, on the basis of such export data, the Community has evidence that there is a sharp and substantial increase in the concentration of exports, other than a concentration attributable to normal seasonal factors, of particular products in any one category subject to quantitative limits established in Annex II, the Community may request consultations in accordance with the procedure specified in Article 14 of this Agreement with a view to remedying this situation.

1. For the purpose of the administration of this Agreement, the limits referred to in Article 3 are broken down into shares for each of the Community's regions as set out in Annex II.

2. The Community undertakes to examine with care and reply within four weeks to any request by Hong Kong for a portion of any quantitative limit established in Annex II not used in one region of the Community to be re-allocated to another region.

If, in the course of the application of the Agreement Hong Kong finds that the break-down of a limit established in Annex II causes particular difficulties, it may request the opening of consultations in accordance with the procedure specified in Article 14 with a view to reaching a mutually satisfactory solution.

3. After the first of June of each year of application of the Agreement, Hong Kong may transfer, subject to prior notification to the Community, the unused quantities of the regional quota-shares of a Community quantitative limit, set out in Annex II, to the quota-shares of the same limit of other regions of the Community provided that the regional quota-share from which the transfer is made is utilised by less than 80 %, and up to the amount of the following percentages of the quota-share to which the transfer is made :

1 % in the first year of the application of the Agreement

2 % in the second year of the application of the Agreement

4 % in the third year of the application of the Agreement

6 % in the fourth year of the application of the Agreement

The percentage in the fifth year of the application of the Agreement shall be determined following consultations between the parties.

4. Should it appear in any given gion of the Community that additional supplies are required, the Community may, where measures taken pursuant to paragraph 1 above are inadequate to cover those requirements, authorize the importation of amounts greater than those stipulated in Annex II.

Article 13

Hong Kong and the Community undertake to refrain from discrimination in the allocation of export licences and import documents respectively.

Article 14

- 1. The special consultation procedures referred to in this Agreement shall be governed by the following rules:
 - any request for consultations shall be notified in writing to the other party, together with a statement setting out the reasons and circumstances which, in the opinion of the requesting Party, justify the submission of such a request;
 - the Parties shall enter into consultations within 15 days at the latest of notification of the request, with a view to reaching agreement or a mutually acceptable conclusion within a further 15 days at the latest;
- 2. The Community may request consultations in accordance with paragraph 1 when it ascertains that during a particular year of application of the Agreement difficulties arise in the Community or one of its regions from a sharp and substantial increase, by comparison to the preceding year, in imports of a given category of Group I subject to the quantitative limits set out in Annex II.
- 3. If necessary, at the request of either of the Parties and in conformity with the provisions of the Geneva Arrangement, consultations shall be held on any problems arising from the application of this Agreement. Any consultations held under this Article shall be approached by both Parties in a spirit of co-operation and with a desire to reconcile the differences between them.

This Agreement shall apply to the territories within which the Treaty establishing the European Economic Community is applied and under the conditions laid down in that Treaty on the one hand, and to the territory of Hong Kong on the other hand.

Article 16

1. This Agreement shall enter into force on the first day of the month following the date of its signature. It shall be applicable until 31 December 1991.

2. This Agreement shall apply with effect from 1 January 1987.

3. Either Party may at any time propose modifications to this Agreement.

4. Either Party may at any time denounce this Agreement provided that at least one hundred and twenty days' notice is given. In that event the Agreement shall come to an end on the expiry of the period of notice.

5. The Annexes and Protocols to this Agreement as well as the Declarations, Exchanges of Letters, and Agreed Minutes to this Agreement shall form an integral part thereof.

Article 17

This Agreement shall be drawn up in two copies in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese and Spanish languages, each of these texts being equally authentic.

PROTOCOL A TITLE I CLASSIFICATION

Article 1

- 1. The competent authorities of the Community undertake to inform Hong Kong of any changes in the Common Customs Tariff, the NIMEXE or the HS based nomenclatures before the date of their entry into effect in the Community.
- 2. The competent authorities of the Community undertake to inform Hong Kong of any decisions relating to the classification of products subject to the Agreement within one month of their adoption at the latest. Such communication shall include:
 - a) a description of the products concerned;
 - b) the relevant category and the related cariff and statistical references;
 - c) the reasons which have led to the decision.
- 3. Where a decision on classification results in a change of classification practice or a change of category of any product subject to the Agreement, the competent authorities of the Community shall provide 30 days' notice, from the date of the Community's communication, before the decision is put into effect. Products shipped before the date of application of the decision shall remain subject to the earlier classification practice, provided that the goods in question are presented for importation into the Community within 60 days of that date.
- 4. Where a Community decision on classification resulting in a change of classification practice or a change of categorization of any product subject to the Agreement affects a category subject to restraint, the Community undertakes to enter into consultations without delay in accordance with the procedures described in paragraph 1 of Article 14 of this Agreement with a view to agreeing necessary adjustments to the appropriate quantitative limits established in Annex II and mitigating any disruptive effects which might arise from such a Community decision.

TITLE II

ORIGIN

Article 2

- 1. Products originating in Hong Kong for export to the Community in accordance with the arrangements established by this Agreement shall be accompanied by a certificate of Hong Kong origin conforming to the model annexed to this Protocol.
- 2. The certificate of Hong Kong origin shall be issued by the competent governmental authorities of Hong Kong if the products in question can be considered products originating in that country within the meaning of the relevant rules in force in the Community.
- 3. Certificates of Hong Kong origin shall contain a full and detailed description of the goods. In particular, certificates of Hong Kong origin shall indicate :
 - in respect of clothing, shipments where the articles in question are incomplete or unfinished;
 - in respect of fabrics, including knitted or crocheted fabric and products of categories 95 and 96, shipments where the products in question are dyed, printed, impregnated or coated;
 - and in respect of products of categories 19, 20, 38B, 39, 40 and
 84, shipments where the articles in question are embroidered.
- 4. The certificate of Hong Kong origin referred to in paragraph 1 shall not be required for import of goods covered by a certificate of origin Form A completed in accordance with the relevant Community rules in order to qualify for generalized tariff preferences.

Article 3

The discovery of slight discrepancies between the statements made in the certificate of origin and those made in the documents produced to the customs office for the purpose of carrying out the formalities for importing the product shall not ipso facto cast doubt upon the statements in the certificate.

TTHE III

DOUBLE CHECKING SYSTEM FOR CATEGORIES OF PRODUCTS WITH QUANTITATIVE LIMITS Section I

Exportation

Article 4

The competent authorities of Hong Kong shall issue an export licence in respect of all consignments from Hong Kong of textile products referred to in Annex II, up to the relevant quantitative limits as may be modified by Articles 6, 12 and 14 of the Agreement and of textile products subject to any definitive or provisional quantitative limits established as a result of the application of Article 7 of the Agreement.

- 1. The export licence shall conform to the model annexed to this Protocol. It must certify inter alia that the quantity of the product in question has been set off again t the quantitative limit prescribed for the category of the product in question.
- 2. Each export licence shall only cover one of the categories of products listed in Annex II of this Agreement.

Article 6

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

Article 7

- 1. Exports shall be set off against the quantitative limits established for the year in which shipment of the goods has been effected, even if the export licence is issued after such shipment.
- 2. For the purpose of applying paragraph 1, shipment of the goods is considered to have taken place on the date of their loading on to the exporting aircraft, vehicle or vessel.

Article 8

The presentation of an export licence, in application of Article 10 below, shall be effected not later than 31 March of the year following that in which the goods covered by the export licence have been shipped.

Section II

Importation

Article 9

Importation into the Community of textile products subject to quantitative limits shall be subject to the presentation of an import authorization or document.

Article 10

1. The competent Community authorities shall issue such import authorization or document automatically within five working days of the presentation by the importer of the original of the corresponding export licence.

The import authorization or document shall be valid for six months.

2. The competent Community authorities shall cancel the already issued import authorization or document if the corresponding export licence has been withdrawn.

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

- 1. If the competent Community authorities find that the total quantities covered by export licences issued by Hong Kong for a particular category in any Agreement year exceed the quantitative limit established in Annex II for that category, as may be modified by Articles 6, 12 and 14 of the Agreement, or any definitive or provisional limit established under Article 7 of the Agreement, the said authorities may suspend the further issue of import authorizations or documents. In this event, the competent Community authorities shall immediately inform the authorities of Hong Kong and the special consultation procedure set out in Article 14 paragraph 1 of the Agreement shall be initiated forthwith.
- 2. Exports of Hong Kong origin not covered by Hong Kong export licences issued in accordance with the provisions of this Protocol may be refused the issue of import authorizations or documents by the competent Community authorities.

However, if the import of such products is allowed into the Community by the competent Community authorities, the quantities involved shall not be set off against the appropriate quantitative limits set out in Annex II or established as a result of the application of Article 7 of the Agreement, without the express agreement of Hong Kong.

FORM AND PRODUCTION OF EXPORT CERTIFICATES AND CERTIFICATES OF ORIGIN, AND COMMON PROVISIONS

Article 12

1. The export licence and the certificate of Hong Kong origin may comprise additional copies duly indicated as such. They shall be made out in English or French. If they are completed by hand, entries must be in ink and in printscript.

These documents shall measure 210 x 292 mm. The paper used must be writing paper weighing not less than 25 g/m2.

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

2. Each export licence and certificate of Hong Kong origin shall bear a serial number, whether or not printed, by which it can be identified.

The number for the export licence shall be standardized and composed of the following elements :

- two letters identifying Hong Kong as follows : HK
- two letters identifying country of destination as follows :
 - BL : Benelux
 - DE : Federal Republic of Germany
 - DK : Denmark
 - ES : Spain
 - FR : France
 - GB : United Kingdom
 - GR : Greece
 - IE : Ireland
 - IT : Italy
 - PT : Portugal

- a one-digit number identifying quota year, corresponding to the last figure in year, e.g. 7 for 1987,
- two spaces identifying the particular issuing office concerned in Hong Kong
- a five-digit number running consecutively from 00001 to 99999 allocated to the country of destination.

The export licence and certificate of origin may be issued after the shipment of the products to which they relate. In such cases they shall bear either the endorsement "délivré a posteriori" or the endorsement "Issued retrospectively".

Article 14

- 1. In the event of theft, loss or destruction of an export licence or a 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 of any such certificate or licence so issued shall bear the endorsement "duplicata".
- 2. The duplicate must bear the date of the original export licence or certificate of origin.

TITLE V

ADMINISTRATIVE COOPERATION

Article 15

The Community and Hong Kong shall cooperate closely to implement the provisions of this Agreement. To this end, contacts and exchanges of views (including on technical matters) shall be facilitated by both parties, in particular to establish the authenticity and accuracy of documentation required under the provisions of the Agreement.

Article 16

Hong Kong shall send to the Commission of the European Communities the names and addresses of the governmental authorities competent for the issue and verification of export licences and certificates of origin together with specimens of the stamps used by these authorities. Hong Kong shall also notify the Commission of any change in this information.

Article 17

- 1. Verification of certificates of Hong Kong origin or export licences shall be carried out at random by the Hong Kong authorities.
- 2. The competent Community authorities may request subsequent verification of certificates of Hong Kong origin or export licences at random or whenever they have reasonable doubt as to the authenticity of such certificates or licences or as to the accuracy of the information regarding the products in question.

In such cases the competent authorities in the Community shall return the certificate of Hong Kong origin or export licence, or a copy thereof to the Hong Kong authorities, giving, where appropriate, the reasons for an enquiry. If the invoice has been submitted, such invoice shall be attached to the certificate or licence or its copy. The authorities shall also forward any information that has been obtained suggesting that the particulars given on the said certificate or licence are inaccurate. 3. Should the results of the random verification referred to in paragraph 1 above reveal serious contravention of the provisions of this Agreement, the Hong Kong authorities shall notify the competent Community authorities of the results.

Where the competent Community authorities have requested verification under paragraph 2 above, the results of such verification shall be communicated to the competent Community authorities within three months at the latest. The information communicated shall indicate whether the disputed certificate or licence applies to the goods actually exported and whether these goods are eligible for export in accordance with the arrangements established by this Agreement. Where the competent Community authorities so request, the information communicated shall also include copies of such other available documentation as may facilitate the full determination of the facts and, in particular, the true origin of the goods.

4. For the purpose of subsequent verification of certificate of Hong Kong origin and export licences, copies of these together with relevant supporting documentation required to be lodged with the Hong Kong authorities for the issue of such certificates or licences shall be kept for a period of at least two years by the Hong Kong authorities.

Article 18

- 1. Where the verification procedure referred to in Article 17 or where information available to the Community or to Hong Kong indicates or appears to indicate that the provisions of this Agreement are being contravened, both parties shall cooperate closely and with appropriate urgency to prevent such contravention.
- 2. To this end, Hong Kong shall, on its own initiative or at the request of the Community, carry out appropriate enquiries or arrange for such enquiries to be carried out concerning operations which are or appear to be in contravention of this Agreement. Hong Kong shall communicate the results of these enquiries to the Community together with such other available information as may facilitate the determination of the true origin of the goods.

- 3. By agreement between the Community and Hong Kong, officials designated by the Community may be present at the enquiries referred to in paragraph 2
- 4. In pursuance of the cooperation referred to in paragraph 1, Hong Kong and the Community shall exchange any information considered by either party to be of use in preventing the contravention of the provisions of the Agreement. These exchanges may include information on textile production in Hong Kong and on trade in textile products of a kind covered by this Agreement between Hong Kong and other countries, particularly where the Community has reasonable grounds to consider that the products in question may be in transit across the territory of Hong Kong prior to their importation into the Community. This information shall include at the request of the Community copies of all relevant documentation.
- 5. Where it is established to the satisfaction of both parties that the provisions of this Agreement have usen contravened, Hong long and the Community agree to take all reasonable measures to prevent a recurrence of such contravention.

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PROTOCOL B

The annual growth rate for the quantitative limits introduced under Article 7 of the Agreement shall be determined as follows:

for products in categories falling within Group I, II, III, the growth rate shall be fixed by Agreement between the Parties in accordance with the consultation procedure established in Article 14 of the Agreement. Such growth rate may in no case be lower than the highest rate applied to corresponding products under bilateral agreements concluded under the Geneva Arrangement between the Community and other third countries having a level of trade equal to and comparable with that of Hong Kong.

ANNEX I

LIST OF PRODUCTS REFERRED TO IN ARTICLE 1

- 1. When the constitutive material of the products of categories 1 to 114 is not specifically mentioned, these products are to be taken to be made exclusively of wool or of fine hair, of conton or of m p-made fibres.
- 2. Garments which are not recognizable as being garments for men or boys or as being garments for women or girls are classified with the latter.
- 3. Where the expression 'babies' garments' is used, this is meant also to cover girls' garments up to and including commercial size BG.

GROUPIA

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Cate	CCT NIMEXE code heading No 1987	Description	Table of equivalence		
Roix	1987	1707		pieces 'kg	g/piece
(1)	(2)	(3)	(4)	(5)	(6)
1	55.05	55.05-13, 19, 21, 25, 27, 29, 33, 35, 37, 41, 45, 46, 48, 51, 53, 55, 57, 61, 65, 67, 69, 72, 78, 81, 83, 85, 87	Coπon yam, not put up for retail sale		
2	55.09	12, 13, 14, 15, 16, 17, 19, 21, 29, 32, 34,	Woven fabrics of cotton, other than gauze, terry fabrics, narrow woven fabrics, pile fabrics, chenill- abrics, tulle and other net fabrics		
2 a)	55.09	55.09-06,07,08,09,51,52,53,54,55, 56,57,59,61,63,64,65,66,67,70,71, 73,83,84,85,87,38,89,90,91,92,93, 98,99	a) of which: other than unbleached or bleached		
3	56.07 A	56.07-01, 04, 05, 07, 08, 10, 12, 15, 19, 20, 22, 25, 29, 30, 31, 35, 38, 39, 40, 41, 43, 45, 46, 47, 49	Woven fabrics of synthetic fibres (staple or waste) other than narrow woven fabrics, pile fabrics (including terry fabrics) and chenille fabrics		
3 a)		56.07-01, 05, 07, 08, 12, 15, 19, 22, 25, 29, 31, 35, 38, 40, 41, 43, 46, 47, 49	a) of which: other than unblezched or bleached		

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GROUP I B

	GROUP I B								
(1)	(2)	(3)	(4)	(5)	(6)				
4	60.04 B I II a) b) c) IV a) 4 b) 1 aa) dd) 2 cc) c) 4 d) 1 aa) dd) ex 2 dd)	60.04-19, 20, 22, 23, 24, 26, 39, 41, 50, 58, 69, 71, 79, 88	Shirts, T-shirts, lightweight fine knit roll, polo or turtle necked jumpers and pullovers (other than of wool or fine anitnal hair), undervests and the like, knitted or crocheted	6,48	154				
	60.05 A li b) 4 mm) 11 22 33 44	60.05-86, 87, 88, 89			- - - -				
:	A la dir 4 bb 11 aaa bbb) ccc) ddd ecc) 22 bbb ccc) ddd ccc) ddd fff) eer 11	60.05-01, 29, 30, 32, 33, 34, 39, 40, 41, 42, 43, 80	Jerseys, pullovers, slip-overs, waistcoats, twinsets, cardigans, bed-jackets and jumpers (other than jackets and blazers), anoraks, windcheaters, waister jackets and the like, knitted or crocheted	4,53	221				
· · · · ·	61 01 3 N d-1 2 3 c+1 2 3	61.01-62, 64, 66, 72, 74, 76	Men's or boys' woven breeches, shorts other than swimwear and trousers (including slacks); women's or girls' woven trousers and slacks, of wool, of cotton or of man-made fibres	1.76	568				
	64.02 Elle)6aa) bb) cc)	61.02-66, 68, 72							
7	60.05 A II b) 4 aa) 22 33 44 55 61.02 B II c) 7 bb) cc) cc) cc)	60.05-22, 23, 24, 25 61.02-78, 82, 85	Women's or girls' blouses, shirts and shirt-blouses, whether or nor knitted or crocheted, of wool, cotton or man-made fibres	5,55	180				
6	61.03 A I II IV	61.03-11, 15, 16	Men's or boys' shirts, other than knitted or crocheted, of wool, cotton or man-made fibres	4,60	217				

.

GROUP II A

(1)	(2)	(3)	(4)	(5)	(6)
9	35.08 62.02 B III a) 1	55.08-10, 30, 50, 80 62.02-71	Terry towelling and similar woven terry fabrics of cotton; toilet linen and kitchen linen, other than knitted or crocheted, of terry towelling and woven terry fabrics, of cetton	·	
20	62.02 Bla) c)	62.02-12, 13, 19	Bed linen, other than knitted or crocheted		
22	56.05 Å	56.05-03, 05, 07, 09, 11, 13, 15, 19, 21, 23, 35, 28, 32, 34, 36, 38, 39, 42, 44, 45, 46, 47	Yarn of staple or waste synthetic fibres, not put up for retail sale		
22 a)		56.05-21, 25, 28, 32, 34, 36	a) of which: acrylic		
23	56.05 3	56.05-51, 55, 61, 65, 71, 75, 81, 85, 91, 95, 99	Yarn of staple or waste artificial fibres, not put up for retail sale		
:	cx 58.04	58.04-07, 11, 15, 18, 41, 43, 45, 61, 63, 67, 69, 71, 75, 77, 78	Woven pile fabrics and chenille fabrics (other than terry towelling or terry fabrics of cotton and narrow woven fabrics) and tufted textile surfaces, of wool, of cotton or of man-made textile fibres		
		58.04-63	a) of which: coπon corduroy		
·	62.02 (b) II a) (c) III a) 2 (c)	62.02-40, 42, 44, 46, 51, 59, 65, 72, 74, 77	Table linen, toilet and kitchen linen, other than knitted or crocheted, other than of terry towelling or similar terry fabrics of cotton		

GROUP II B

	(2)	(3)	(4)	(5)	(6)
	50.03 B 1 a) b) II a) 2 b) III IV	60.03-11, 18, 20, 29, 40, 80	Panty-hose and tights, stockings, under- stockings, socks, ankle-socks, sockettes and the like, knitted or crocheted, other than for babies, including stockings for varicose veins, other than products of category 70	24,3 pairs	41
	60.04 B III a) 2 b) 50.06 B II	60.04-33, 34 60.06-92			
13	60.04 B IV a) 2 b) 1 cc) 2 dd) c) 2 d) 1 cc) 2 cc)	50.04-36, 48, 56, 66, 75, 85	Men's or boys' underpants and briefs, women's or girls' knickers and briefs, knitted or crocheted, of wool, cotton or man-made fibres	17	59

(1)	(2)	(3)	(4)	(5)	(6)
14	61.01 A II a) B V b) 1 2 3	61.01-07, 41, 42, 44, 46, 47	Men's or boys' woven overcoats, raincoats and other coats, cloaks and capes, of wool, of cotton or of man-made textile fibres (other than parkas) (of category 21)	0,72	1 389 ,
15	61.02 B la) II e) 1 aa) bb) cc) 2 aa) bb) cc)	61.02-05, 31, 32, 33, 35, 36, 37, 39, 40	Women's or girls' woven overcoats, raincoats and other coats, cloaks and capes; jackets and blazers, of wool, of cotton or of man-made textile fibres (other than parkas) (of category 21)	0,84	1 190
16	61.01 B V c) 1 2 3	61.01-51, 54, 57	Men's or boys' suits and ensembles, other than knitted or crocheted, of wool, of cotton or of man-made fibres, excluding ski suits	0,80	1 250
17	61.01 B V a) 1 2 3	61.01-34, 36, 37	Men's or boys' jackets and blazers, other than knitted or croc her ed, of wool, of cotton or of man-made fibr es	1,43	700
18	61.01 B III 61.02 B II c) 61.03 B C 61.04 B	61.01-24, 25, 26 61.02-22, 23, 24 61.03-51, 55, 59, 81, 85, 89 61.04-11, 13, 18, 91, 93, 98	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing gowns and similar articles, other than knitted or crocheted Women's or girls' singlets and other vests, slips, petricoats, briefs, panties, nightdresses, pyjamas, négligés, bathrobes, dressing gowns		
19	61.05 A C	61.05-10, 99	and similar articles, other than knitted or crocheted Handkerchiefs, other than knitted or crocheted	59	17
21	61.01 B IV 61.02 B II d)	61.01-29, 31, 32 61.02-25, 26, 28	Parkas; anoraks, windcheaturs, waister jackets and the like, other than knitted or crocheted, of wool, of cotton or man-made fibres	2,3	435
24	60.04 B IV a) 1 b) 1 bb) 2 sa) bb7 c) 1 d) 1 bb) 2 sa) bb)	60.04-35, 47, 51, 53, 65, 73, 81, 83	Men's or boys' nightshirts, pyjamas, bathrobes, dressing gowns and similar articles, knitted or crochezed	3,9	257
	60.05 АШЬ) 4П) 11	60.05-84	Women's or girls' nightdresses, pyjamas, négligés, bathrobes, dressing gowns and similar articles, knitted or crocheted		

(1)	(2)	(3)	(4)	(5)	(6)
26	60.05 A II b) 4 cc) 11 22 33 44	60.05-46, 47, 48, 49	Women's or girls' dresses, of wool, of cotton or man-made fibres	3,1	323
	61.02 BII e) 4 bb) cc) dd) ee)	61.02-48, 52, 53, 54			
27	60.05 A II b) 4 dd) 61.02 B II e) 5 aa) bb) cc)	60.05-51, 52, 54, 58 61.02-57, 58, 62	Women's or girls' skirts, including divided skirts	2,6	385
28	60.05 A 11 b) 4 ee) -	60.05-60, 63, 65	Trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted, of wool, of cotton or man-made fibres	1,61	620
29	61.02 B II e) 3 aa) bb) cc)	61.02-42, 43, 44	Women's or girls' suits and ensembles, other than knitted or crocheted, of wool, of cotton or man-made fibres, excluding ski suits	1,37	730
31	61.09 D	61.09-50	Brassières, woven, knitted or crocheted	18,2	5 5
68	60.03 A 60.04 A I II a) b) c) iII a) b) c) d) 60.05	60.03-01, 03, 05, 09 60.04-02, 03, 04, 06, 07, 08, 10, 11, 12, 14 60.05-06, 07, 08, 09, 91	Babies' garments and clothing accessories, excluding babies gloves, mittens and mitts of categories 10 and 87, and babies' stockings, socks and sockettes, other than knitted or crocheted, of category 88		
	A II b) 1 5 zz) 61.02 A l a) b) 61.04 A	61.02-01, 03 61.04-01, 09			
	61.11 A	61.11-10			
73	60.05 А II b) З	60.05-16, 17, 19	Track suits of knitted or crocheted fabric, of wool, of cotton or of man-made textile fibres	1,67	600

(1)	(2)	(3)	(4)	(5)	(6)
76	61.01 B I	61.01-13, 15, 17, 19	Men's or boys' industrial or occupational clothing, other than knitted or crocheted;		
	61.02 B II a)	61.02-12. 14	Women's or girls' aprons, smock-overalls and other industrial or occupational clothing, other than knitted or crocheted		
77	61.01 B V f) 1	61.01-82	Ski suits, other than knitted or crocheted		
	61.02 B II e) 8 23)	61.02-86			
78	61.01 A I II b) B V g) 1 2 3	61.01-03, 09, 93, 94, 97	Garments, other than knitted or crocheted, excluding garments of categories 5, 7, 8, 14, 15, 16, 17, 18, 21, 26, 27, 29, 68, 72, 76 and 77		<u></u>
	61.02 A II B I b) II e) 9 aa) bb) cc)	61.02-04, 07, 93, 95, 97			
83	60.05 A 1 b) II a) b) 4 hh) 11 22 33 44 kk) 11	60.05-03, 04, 75, 76, 77, 78, 82	Overcoats, jackets, blazers and other garments, including ski suits, knitted or crocheted, excluding garments of categories 4, 5, 7, 13, 24, 26, 27, 28, 68, 69, 72, 73, 74, 75		

GROUP III A

(1)	(2)	(3)	(4)	(5)	(6)
33	51.04 A III 2)	51.04-06	Woven fabrics of synthetic filament yarn obtained from strip or the like of polyethylene or polypropylene, less than 3 m wide;		
	62.03 В II Ь) 1	62.03-51, 59	Sacks and bags, of a kind used for the packing of goods, not knitted or crocheted, obtained from strip or the like		
34	51.04 А III Ь)	51.04-08	Woven fabrics of synthetic filament yarn, obtained from strip or the like of polyethylene or polypropylene, 3 m or more wide		١
35	51.04 A II FV	51.04-05, 10, 11, 13, 15, 17, 18, 21, 23, 25, 27, 28, 32, 34, 36, 41, 48 51.04-10, 15, 17, 18, 23, 25, 27, 28, 32, 34, 41, 48	other than those for tyres of category 114		

(1)	(2)	(3)	(4)	(8)	
(1)	51.04	(3) 51.04-54, 55, 56, 58, 62, 6 4, 66, 72, 74,	(9). Woven fabrics of continuous artificial fibres,	(5)	(6)
	B U W	76, 81, 89, 93, 94, 97, 98	other than those for tyres of category 114		
36 a)		51.04-55, 58, 62, 64, 72, 74, 76, 81, 89, 94, 97, 98	a) of which: other than unbleached or bleached		
37	56.07 č	56.07-50, 51, 55, 56, 59, 60, 61, 65, 67, 68, 69, 70, 71, 72, 73, 74, 77, 78, 82, 83, 84, 87	Woven fabrics of artificial staple fibres		
37 2)		56.07-50, 55, 56, 59, 61, 65, 67, 69, 70, 71, 73, 74, 77, 78, 83, 84, 87	a) of which: other than unbleached or bleached		
38 A	60.01 BIb)1	60.01-40	Knitted or crocheted synthetic curtain fabrics including net curtain fabric		
38 B	62.02 A 11	62.02-09	Net curtains, other than knitted or crocheted		
40	62.02 BIV a) c)	62.02-83, 85, 89	Woven curtains (including drapes, interior blinds, curtain and bed valances and other furnishing articles, other than knitted or crocheted, of wool, of cotton or of man-made fibres		
41	ex 51.01 A	51.01-01, 02, 03, 04, 08, 09, 10, 12, 20. 22, 24, 27, 29, 30, 41, 42, 43, 44, 46, 48	Yarn of synthetic filament (continuous), not put up for retail sale, other than non-textured single yarn untwisted or with a twist of not more than 50 turns per metre		
42	ex 51.01 B	51.01-50, 61, 67, 68, 71, 77, 78, 80	 Yarn of continuous man-made fibres, not put up for retail sale: B. Yarn of artificial fibres; yarn of artificial filaments, not put up for retail sale, other than single yarn of viscose rayon untwisted or with a twist of not more than 250 turns per metre and single non-textured yarn of ceilulose acetate 		
43	51.03 55.06 56.06 B	51.03-10, 20 55.06-10, 90 56.06-20	Yarn of man-made filament, yarn of staple artificial fibres, cotton yarn, put up for retail sale		
46	ex \$3.05	53.05-10, 22, 29, 31, 38, 39	Carded or combed sheep's or lambs' wool or other fine animal hair		
47	53.06 53.08 A	53.06-21, 25, 31, 35, 51, 55, 71, 75 53.08-11, 15	Yarn of carded sheep's or lambs' wool (woollen yarn) or of carded fine animal hair, not put up for retail sale		

(1)	(2)	(3)	(4)	(5)	(6)
48	53.07 53.08 B	53.07-02, 08, 12, 18, 30, 40, 51, 59, 81, 89 53.08-21, 25	Yara of combed sheep's or lambs' wool (worsted yarn) or of combed fine animal hair, not put up for retail sale		
49	ex 53.10	53.10-11, 15	Yam of sheep's or lambs' wool or of fine animal hair, put up for retail sale		
50	53.11	53.11-01, 03, 07, 11, 13, 17, 20, 30, 40, 52, 54, 58, 72, 74, 75, 82, 84, 88, 91, 93, 97	Woven fabrics of sheep's or lambs' wool or of fine animal hair		
51	55.04	55.04-00	Cotton, carded or combed		
53	55.07	55.07-10, 90	Cotton gauze		
54	56.04 B	56.04-21, 23, 28	Staple artificial fibres, including waste, carded, combed or otherwise processed for spinning		
55	56.04 A	56.04-11, 13, 15, 16, 17, 18	Synthetic staple fibres, including waste, carded or combed or otherwise processed for spinning	· · · · · · · · · · · · · · · · · · ·	
56	56.06 A	56.06-11, 15	Yam of staple synthetic fibres (including waste), put up for retail sale		
58	58.01	58.01-01, 11, 13, 17, 30, 80	Carpets, carpetings and rugs, knotted (made up or not)		
59	58.02 ex A B 59.02 ex A	58.02-04,06,07,09,56,61,65,71,75, 81,85,90 59.02-01,09	Carpets and other textile floor coverings, other than the carpets of category 58		
60	58.03 <u>.</u>	58.03-00	Tapestries, hand-made, of the type Gobelins, Flanders, Aubusson, Beauvais and the like, and needleworked tapestries (for example, petit point and cross stitch) made in panels and the like by hand		
61	58.05 A I a) c) U B	58.05-01, 08, 30, 40, 51, 59, 61, 69, 73, 77, 79, 90	Narrow woven fabrics, and narrow fabrics (bolduc) consisting of warp without weft assembled by means of an adhesive, other than labels and similar articles of category 62		
	59.13	59.13-01, 11, 13, 15, 19, 32, 34, 35, 39	Elastic fabrics and trimmings (not knitted or crocheted), made from textile materials assembled from rubber thread		

(1)	(2)	(3)	(4)	(5)	. (6)
62	58.06	58.06-10, 90	Labels, badges and the like, of textile materials, not embroidered, in the piece, in strips or cut to shape or size, woven		
	58.07	58.07-31, 39, 50, 80	Chenille yarn (including flock chenille yarn), gimped yarn (other than metallized yarn and gimped horsehair yarn); braids and omamental trimmings in the piece; tassels, pompoms and the like	•	
	58.08	58.08-10, 90	Tulle and other pet fabrics but not including woven, knitted or crocheted fabrics; hand or		
	58.09	58.09-11, 19, 21, 31, 35, 39, 91, 95, 99	mechanically made lace, in the piece, in strips or in motifs		
	58.10	58.10-21, 29, 41, 45, 49, 51, 55, 59	Embroidery, in the piece, in strips or in motifs		
63	60.01 Bla)	60.01-30	Knitted or crocheted fabric of synthetic fibres containing by weight 5% or more of		
	60.06 A	60.06-11, 18	elastomeric yarn and knitted or crocheted fabric containing by weight 5% or more of rubber thread		
	60.01 B1b)2 3	60.01-51, 55	Raschel lace and long-pile fabric of synthetic fibres		
65	60.01 A B, I b) 4 II C I	60.01-01, 10, 62, 64, 65, 68, 72, 74, 75, 78, 81, 89, 92, 94, 96, 97	Knitted or crocheted fabric other than those of categories 38 A and 63, of wool, of cotton or of man-made fibres		
66	62.01 A B 1 11 a) b) c)	62.01-10, 20, 81, 85, 93, 95	Travelling rugs and blankets, other than knitted or crocheted, of wool, of conon or of man-made fibres		

GROUP III B

(1)	(2)	(3)	(4)	(5)	(6)
10	60.02 A B	60.02-40 60.02-50, 60, 70, 80	Gloves, mittens and mitts, knitted or crocheted	17 pairs	59
67	60.05 A II b) 5 bb) B 60.06 B III	60.05-92, 93, 94, 95, 96, 97, 98, 99 60.06-96, 98	Knitted or crocheted clothing accessories other than for babies; household linen of all kinds, knitted or crocheted; curtains (including drapes) and interior blinds, curtain or bed valances and other furnishing articles knitted or crocheted; knitted or crocheted blankets and travelling-rugs, other knitted or crocheted articles including parts of garments or of clothing accessories		
67a)		60.05-96	a) of which: sacks and bags of a kind used for the packing of goods, made from polyethylene or polypropylene surp		

(1)	(2)	(3)	(4)	(5)	(6)
69	60.04 BIV a) 3 b) 2 cc) c) 3 ex d) 2 dd)	60.04-37, 54, 67, 86	Women's or girls' slips and perticoats, knitted or crocheted	7,8	128
70	60.04 B III 2) 1	60.04-31	Panty-hose and tights of synthetic fibres, measuring per single yarn less than 67 decitex (6,7 tex)	30,4 pairs	33
	60.03 В II Ъ) 1	60.03-24, 26	Women's full-length hosiery of synthetic fibres		
72	60.05 A II b) 2	60.05-11, 13, 15	Swimwear, of wool, of conon or of man-made fibres	9,7	103
	60.06 B I	60.06-91			
	61.01 B II	61.01-22, 23			
	61.02 БІІЬ)	61.02-16, 18			
	60.05 A II b) 4 gg) 11 22 33 44	60.05-70, 71, 72, 73	Women's or girls' knitted or crocheted suits and ensembles, of wool, of cotton or man-made fibres, excluding ski suits	1,54	650
	60.05 A II b) 4 ff)	60.05-66, 68	Men's or boys' knitted or crocheted suits and ensembles, of wool, of cotton or of man-made fibres, excluding ski suits	0,80	1 250
84	\$1.03 B C D E	61.06-30, 40, 50, 60	Shawls, scarves, mufflers, mantillas, veils and the like other than knitted or crocheted, of wool, of cotton or man-made fibres		
85	61.07 B C D	61.07-30, 40, 90	Ties, bow ties and cravats not knitted or crocheted, of wool, of cotton or man-made fibres	17,9	56
86	61.09 A B C E	61.09-20, 30, 40, 80	Corsets, corset-belts, suspender belts, braces, suspenders, garters and the like, and parts thereof, whether or not knitted or crocheted	8,8	114
87	61.10 A	61.10-10	Gloves, mittens and mitts, not knitted or crocheted	- <u></u>	
88	61.10 B 61.11 B	61.10-90 61.11-90	Stockings, socks and sockettes, not knitted or crocheted; other clothing accessories, parts of garments or of clothing accessories, other than for babies, other than knitted or crocheted		

(1)	(2)	(3)	(4)	(5)	(6)
90	ex 59.04	59.04-11, 12, 14, 15, 17, 18, 19, 21	Twine, cordage, ropes and cables of synthetic fibres, plaited or not		
91	62.04 АЦ ВП	62.04-23, 73	Tents	• •	
93	62.03 B 1b) II a) b) 2 c)	62.63-30, 40, 97, 98	Sacks and bags, of a kind used for the packing of goods, of woven fabrics, other than made from polyethylene or polypropylene strip		
94	59.01	59.01-07, 12, 14, 15, 26, 18, 21, 29	Wadding of textile materials and articles thereof; textile fibres, not exceeding 5 mm in length (flock), textile dust and mill neps		
95	cx 59.02	59.02-35, 41, 47, 51, 57, 59, 91, 95, 97	Felt and articles thereof, whether or not impregnated or coated, other than floor coverings		
96	59.03	59.03-01, 11, 21, 23, 25, 29, 30	Non-woven fabrics and articles of such fabrics, whether or not impregnated, coated, covered or laminated		
97	59.05	59.05-11, 31, 39, 51, 59, 91, 99	Nets and netting made of twine, cordage or rope and made up fishing nets of yarn, twine, cordage or rope		
98	59.06	59.06-00	Other articles made from yarn, twine, cordage, rope or cables, other than textile fabrics, articles made from such fabrics and articles of category 97		
99	\$9.07	59.07-10, 90	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books and the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations		
	59.10	59.10-10, 31, 39	Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape;		
	59.11 A I II III b) B	59.11-11, 14, 17, 20	Rubberized textile fabrics, not knitted or crocheted, excluding those for tyres		
	59.12	59.12-00	Textile fabrics otherwise impregnated or coated; painted canvas being theatrice.) scenery, studio back-cloths or the like, other than of category 100		

(1)	(2)	(3)	(4)	(5)	(6)
100	59.08	59.08-10, 51, 61, 71, 79	Textile fabrics impregnated, coated, covered or laminated with preparations of cellulose derivatives or of other artificial plastic materials		
101	ex 59.04	59.64-80	Twine, cordage, ropes and cables, plaited or not, other than of synthetic fibres		
109	62.04 A I B I	62.04-21, 61, 69	Tarpaulins, sails, awnings, and sunblinds		anadiging <u>an</u> gan an dan beren
110	62.04 A III B III	62.04-25, 75	Woven pneumatic mattresses		
111	62.04 A IV B IV	62.04-29, 79	Camping goods, woven, other than pneumatic mattresses and tents		
112	62.05 A B D E	62.05-01, 10, 30, 93, 95, 99	Other made up textile articles, woven, excluding those of categories 113 and 114		
113	62.05 C	62.05-20	Floor cloths, dish cloths and dusters, other than knitted or crocheted	·	
114	51.04 A I B I	51.04-03, 52	Woven fabrics and articles for technical uses		
	59.11 A III a)	59.11-15			
	59.14	59.14-00			
	59.15	\$9.15-10, 90			
	59.16	59.16-00			
	59.17 A B II C	59.17-10, 29, 32, 38, 49, 51, 59, 71, 79, 91, 93, 95, 99			
	D				

GROUP IV

(1)	(2)	(3)	(4)	(5)	(6)
115	54.03 54.04	54.03-10, 31, 35, 37, 39, 50, 61, 69 54.04-10, 90	Flax or ramie yarn	•	
117	54.05	54.05-21, 25, 31, 35, 38, 51, 55, 61, 68	Woven fabrics of flax or of ramie		
118	ex 62.02 B I b) ex 62.02 B II b) III b)	62.02-15 62.02-61, 75	Table linen, toilet linen and kitchen of flax or ramie, other than knitted or crocneted		, ,
120	62.02 A 1 B IV b)	62.02-01, 87	Curtains (including drapes), interior blinds, curtain and bed valances and other furnishing articles, not knitted or crocheted, of flax or ramie		
121	ex 59.04	59.04-60	Twine, cordage, ropes and cables, plaited or not, of flax or ramie		
122	62.03 Bla)	62.03-20	Szeks and bags, of a kind used for the packing of goods, used, of flax, other than knitted or crocheted		
123	ex 55.04 ex 61.01 F	58.04-80 61.06-90	Woven-pile fabrics and chemille fabrics of flax or ramie, other than narrow woven fabrics Shawls, scarves, mufflers, mantillas, veils and the like, of flax or ramie, other than knitted or crocheted		

ANNEX II(*)

(*) for the full description of the products in this Annex,

see column 5 of Annex I.

For the purposes of the provisions of Article 6, a sublimit

within a category or a footnote limit set out in Amnex II

shall be considered as a category.

ANDEX II

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
2 2 a)	Woven fabrics of cotton of which other than unbleached or	Tonnes	1987 1988 1989 1990 1991	13.287 13.314 13.340 13.367 13.394
	bleached	Tonnes	1987 1988 1989 1990 1991	11.468 11.491 11.514 11.537 11.560
3	Woven fabrics of synthetic fibres (discontinuous or waste)	Tonnes	1987 1988 1989 1990 1991	11.063 11.085 11.107 11.130 11.152
3a)	of which other than unbleached or bleached	Tonnes	1987 1988 1989 1990 1991	7.415 7.430 7.445 7.460 7.474

COMMUNITY LIMITS

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

COMMUNITY LIMITS

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
4	Shirts, T-shirts and the like, knitted ar crocheted	1,000 pieces	1987 1988 1989 1990 1991	(1)(3) 24.950 (1)(3) 25.125 (1)(3) 25.301 (1)(3) 25.478 (1)(3) 25.656
	Special quantity	Tonnes	1987 1988 1989 1990 1991	(2) 1.664 (2) 1.706 (2) 1.748 (2) 1.792 (2) 1.837

- (1) From 1 January 1987, this quantity will be used for export of products covered by 1986 NIMEXE Codes 60.04-19, 20, 22, 23, 24, 26, 41, 50, 58, 71, 79, 89; ex 60.04-38; and ex 60.04-60 only
 - From the entry into force of the Community nomenclatures based on the Harmonized System, this quantity will be used for export of products covered by Harmonized System Codes 6105.10,20,90; 6109 10,90 and ex 6110.20, ex 30, only
- (2) From 1 January 1987 this special quantity will be used for export of products covered by 1986 NIMEXE Codes ex 60.05-88; ex. 60.05-89; ex 60.05-90; and ex 60.05-91 only
 - From the entry into force of the Community nomenclatures based on the Harmonized System, this special quantity will be used for export of products covered by Harmonized System Codes 6105.10,20,90 only
 - For administrative control purposes the Hong Kong export licence will show category 4 (S) as the pertinent category in respect of the products to be exported under these special quantities.
- (3) For the purpose of setting off exports against the agreed quantitative limits a conversion rate of 5 garments (other than babies'garments) of a maximum commercial size of 130 cm, for 3 garments whose commercial size exceeds 130 cm may be applied for up to 3 % of the quantitative limits.

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

COMMUNITY LIMITS

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
5	Jerseys, windcheaters and the like	1,000 pieces	1987 1988 1989 1990 1991	26.860 27.021 27.183 27.346 27.510
6	Men's or boys' and women's or girls' woven trousers and men's shorts and breeches	1,000 pieces	1987 1988 1989 1990 1991	(1) 51.770 (1) 52.029 (1) 52.289 (1) 52.550 (1) 52.813
6 a)	of which trousers	1,000 pieces	1987 1988 1989 1990 1991	<pre>(1) 42.972 (1) 43.187 (1) 43.403 (1) 43.620 (1) 43.838</pre>
7	Blouses and shirt-blouses, woven, knitted or crocheted	1,000 pieces	1987 1988 1989 1990 1991	29.479 29.715 29.953 30.192 30.434
8	Men's shirts, woven	1,000 pieces	1987 1988 1989 1990 1991	46.955 47.237 47.520 47.805 48.092
10	Gloves, mittens and mitts, knitted or crocheted	1,000 pairs	1987 1988 1989 1990 1991	(2) 73.157 (2) 74.620 (2) 76.113 (2) 77.635 (2) 79.187 imits a conversi

(1) For the purpose of setting off exports against the agreed quantitative limits a conversion rate of 5 garments (other than babies'garments) of a maximum commercial size of 130 cm, for 3 garments whose commercial size exceeds 130 cm may be applied for up to 1 % of the quantitative limits. This is applicable to shorts and to long trousers separately.

(2) The following sub-limits apply in respect of coated knitted gloves covered by 1986 NIMEXE Code 60.02-40 within the quantitative limits for the United Kingdom:

				1001
1987	1988	1989	1990	<u>1991</u> 1 <u>9.91</u> 9.000 pr
18.402.000 pr	18.770.000 pr	19.145.000 pr	19.528.000 pr	

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
12	Socks other than babies', knitted or crocheted	1,000 pairs	1987 1988 1989 1990 1991	9.989 10.289 10.597 10.915 11.243
13	Underpants and briefs, knitted or crocheted	1,000 pieces	1987 1988 1989 1990 1991	(1) 76.948 (1) 77.717 (1) 78.495 (1) 79.280 (1) 80.072
	Special quantity	Tonnes	1987 1988 1989 1990 1991	<pre>(2) 1.265 (2) 1.316 (2) 1.368 (2) 1.423 (2) 1.480</pre>

COMMUNITY LIMITS

(1) From 1 January 1987 this quantity will be used for exports of products covered by 1986 NIMEXE Codes 60.04-48,56,75,85 (of cotton and of synthetic fibres) only.

From the entry into force of the Community nomenclatures based on the Harmonized System, this quantity will be used for exports of products covered by Harmonized System Codes 6107.11, ex 6107.12, 6108.21, ex 6108.22 (of cotton and of synthetic fibres) only.

(2) From 1 January 1987 this special quantity will be used for exports of products covered by 1986 NIMEXE Codes ex 60.04-38 and ex 60.04-60 (of wool or of regenerated fibres) only.

From the entry into force of the Community nomenclatures based on the Harmonized System, this special quantity will be used for exports of products covered by Harmonized System Codes ex 6107.12, ex 6107.19, ex 6108.22, ex 6108.29 only.

For administrative control purposes the Hong Kong export licence will show category 13(S) as the pertinent category in respect of the products to be exported under this special quantity.

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
16	Men's suits and co-ordinate suits, other than knitted or crocheted	1,000 sets	1987 1988 1989 1990 1991	2.520 2.564 2.602 2.641 2.681
18	Underpants, briefs, nightdresses, pyjamas, bath robes, dressing gowns and the like, other than knitted or crocheted	Tonnes	1987 1988 1989 1990 1991	(1) 6.257 (1) 6.413 (1) 6.574 (1) 6.738 (1) 6.907
21	Parkas, anoraks, woven	1,000 pieces	1987 1988 1989 1990 1991	 (2) 15.122 (2) 15.349 (2) 15.579 (2) 15.813 (2) 16.050
24	Pyjamas, nightdresses, bath robes, dressing gowns and the like, knitted or crocheted	1,000 pieces	1987 1988 1989 1990 1991	7.150 7.329 7.512 7.700 7.892

COMMUNITY LIMITS

(1) The following sub-limit applies in respect of products covered by 1986 NIMEXE Codes 61.04-11, 13, 18 within the quantitative limit for France :

1987	1988	1989	1990	<u>1991</u>
141 T	145 'r	148 T	<u>152</u> T	156 T

(2) For the purpose of setting off exports against the agreed quantitative limits a conversion rate of 5 garments (other than babies'garments) of a maximum commercial size of 130 cm, for 3 garments whose commercial size exceeds 130 cm may be applied for up to 2 % of the quantitative limits.

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

COMMUNITY LIMITS

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
26	Woven and knitted or crocheted dresses	1,000 pieces	1987 1988 1989 1990 1991	9.381 9.475 9.570 9.665 9.762
27	Woven and knitted or crocheted skirts	1,0000 pieces	1987 1988 1989 1990 1991	8.379 8.547 8.718 8.892 9.070
29	Women's or girls' suits and costumes, other than knitted or crocheted	1,000 sets	1987 1988 1989 1990 1991	2.545 2.609 2.674 2.741 2.809
31	Brassières	1,000 pieces	1987 1988 1989 1990 1991	16.573 17.070 17.582 18.110 18.653
32	Pile fabric and chenille fabrics	Tonnes	1987 1988 1989 1990 1991	5.934 6.082 6.234 6.390 6.550
39	Linen of all types, other than knitted or crocheted, with the exception of category 9	Tonnes	1987 1988 1989 1990 1991	1.321 1.347 1.374 1.402 1.430
61	Narrow woven fabrics	Tonnes	1987 1988 1989 1990 1991	1.618 1.699 1.784 1.873 1.967

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
68	Babies'garments and accessories, knitted or crocheted or woven, with the exception of gloves and woven socks	Tonnes	1987 1988 1989 1990 1991	<pre>(1) 2.078 (1) 2.151 (1) 2.226 (1) 2.304 (1) 2.385</pre>
	Special quantity	Tonnes	1987 1988 1989 1990 1991	(2) 473 (2) 490 (2) 507 (2) 524 (2) 543

COMMUNITY LIMITS

(1) From 1 January 1987 this quantity will be used for exports of garments covered by 1986 NIMEXE Codes 60.04-02, 03, 04, 06, 07, 08, 10, 11, 12, 14; 60.05-06, 07, 08, 09; 61.02-01, 03; 61.04-01, 09 only

From the entry into force of the Community nomenclatures based on the Harmonized System, this quantity will be used for exports of garments covered by Harmonized System Codes ex 6111.10, ex 20, ex 30, ex 90 and ex 6209.10, ex 20, ex 30, ex 90, only

(2) From 1 January 1987 this special quantity will be used for exports of products covered by 1986 NIMEXE Codes ex 60.03; 60.05 - ex 93, ex 94, ex 95, ex 61.11-00 only

From the entry into force of the Community nomenclatures based on the Harmonized System, this special quantity will be used for exports of products covered by Harmonized System Codes ex $\underline{6111.10}$, ex 20, ex 30, ex 90 and ex $\underline{6209.10}$, ex 20, ex 30, ex 90 only

For administrative control purposes the Hong Kong export licence will show category 68 (S) as the pertinent category in respect of the products to be exported under this special quantity.

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS EEC
72	Swinwear	1,000 pieces	1987 1988 1989 1990 1991	13.268 13.799 14.351 14.925 15.522
73	Track suits	1,000 sets	1987 1988 1989 1990 1991	(*) 1.717 (*) 1.751 (*) 1.786 (*) 1.822 (*) 1.859
74	Women's suits and costumes, knitted or crocheted	1,000 sets	1987 1988 1989 1990 1991	1.150 1.196 1.244 1.294 1.345
77	Ski suits, other than knitted or crocheted	Tonnes	1987 1988 1989 1990 1991	550 564 578 592 607
78	Other woven garments	Tonnes	1987 1988 1989 1990 1991	7.803 7.998 8.198 8.403 8.613
83	Other garments, knitted or crocheted	Tonnes	1987 1988 1989 1990 1991	333 341 350 359 368

COMMUNITY LIMITS

(*) For the purpose of setting off exports against the agreed quantitative limits a conversion rate of 5 garments (other than babie's garments) of a maximum commercial size of 130 cm, for 3 garments whose commercial size exceeds 130 cm may be applied for up to 3 % of the quantitative limits.

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

REGIONAL LIMITS

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANFITATIVE LIMITS
28 UK	Knitted or crocheted trousers, shorts and bib and brace overalls	1,000 pieces	1987 1988 1989 1990 1991	(1) 1.008 (1) 1.033 (1) 1.059 (1) 1.086 (1) 1.113
	Special quantity	Tonnes	1987 1988 1989 1990 1991	 (2) 185 (2) 190 (2) 194 (2) 199 (2) 204

(1) From 1 January 1987 this quantity will be used for exports of trousers covered by 1986 NIMEXE Codes 60.05-61, 62 and 64 only

From the entry into force of the Community nomenclatures based on the Harmonized System, this quantity will be used for exports of trousers covered by Harmonized System Codes ex 6103.41, ex 42, ex 43, ex 49; ex 6104.61, ex 62, ex 63, ex 69 only

(2) From 1 January 1987 this special quantity will be used for exports of shorts and bib and brace overalls covered by 1986 NIMEXE Codes ex 60.05-88, ex-89, ex-90, ex-91 only

From the entry into force of the Community nomenclatures based on the Harmonized System, this special quantity will be used for exports of shorts and bib and brace overalls covered by Harmonized System Codes ex $\underline{6103.41}$, ex 42, ex 43, ex 49; ex $\underline{6104.61}$, ex 62, ex 63, ex 69 only

For administrative control purposes the Hong Kong export licence will show category 28 (S) as the pertinent category in respect of the products to be exported under this special quantity.

ANNEX II

For practical reasons the product descriptions used in Annex I are given in the present Annex in abbreviated form

REGIONAL LIMITS

CATEGORY	DESCRIPTION	UNITS	YEAR	QUANTITATIVE LIMITS		
86 UK	Corsets	1,000 pieces	1987 1988 1989 1990 1991	743 780 819 860 903		
109 F	Tarpaulins, sails, awnings, sunblinds	Tonnes	1987 1988 1989 1990 1991	255 270 287 304 322		

Agreed Minute

A delegation of the Hong Kong Government and a delegation of the European Community met in Brussels on 23 October 1987 for consultations in accordance with Article 14 of the Agreement on Trade in textile products between Hong Kong and the Community initialled on 2 October 1986 in Brussels.

2. Having regard to the definition of suits that would be applicable under the Harmonised System to be introduced with effect from 1 January 1988, the two parties agreed to amend the quantitative limits established in Annex II of the said Agreement as follows:

- ategory	Brief Description	Unit	Year	Quantitative limits EEC
4	Knitted shirts/ T-shirts	1 000 pcs	1988 1989 1990 1991	25 144 25 320 25 497 25 675
4(S)	Knitted tops	Tonnes	1988 1989 1990 1991	1 721 1 764 1 808 1 553
5	Knitt / jerseys	1 000 pc's	1988 1989 1990 1991	27 389 27 553 27 718 27 884
6	Men's or boys' and women's and girls' woven trousers and men's shorts and breeches	1 000 pcs	1988 1989 1990 1991	52 709 52 973 53 238 53 504
6A	of which trousers	1 000 pcs	1988 1989 1990 1991	43 847 44 066 44 286 44 507
7	Blouses and shirt- blouses, woven, knitted or crocheted	1 000 pcs	1988 1989 1990 1991	29 768 30 006 30 246 30 468
8	Men's woven shirts	1 000 pcs	1988 1989 1990 1991	47 266 47 550 47 835 48 122
1.6	Men's or boys' woven suits and ensembles	1 000 sets	1988 1989 1990 1991	2 096 2 127 2 159 2 191

Category	Brief Description	Unit	Year	Quantitative limits EEC
21	Woven blousons, etc.	1 000 pcs	1988 1989 1990 1991	15 808 16 045 16 286 16 530
27	Woven and knitted or crocheted skirts	1 000 pcs	1988 1989 1990 1991	8 896 9 074 9 255 9 440
28 (UK only)	Knitted trousers	1 000 pcs	1988 1989 1990 1991	1 048 1 074 1 101 1 129
28(S) (UK only)	Knitted shorts and bib and brace overall	lonnes	1988 1989 1990 1991	200 205 210 215
29	Women's or girls' woven suits and ensembles	1 000 sets	1988 1989 1990 1991	2 293 2 350 2 409 2 469
74	Women's or girls' suits and ensembles knitted or crocheted	1 000 sets	1988 1989 1990 1991	865 900 936 973
78	Other woven garments	Tomes	1988 1989 1990 1991	8 038 8 239 8 445 8 656
83	Knitted jackets and other knitted garments		1988 1989 1990 1991	343 352 361 370

3. It was further agreed that regional shares under the said agreement for the year 1988 will show positive annual growth for each region as if the regional shares communicated under the Community's Note Verbale No 01316 dated 3 February 1987 had been amended as follows:

COM.TEX/ Page 54-	/SB/13	72															
	TOTAL	24 769	1 679	27 226	52 447	43 629	29 532	46 984	2 065	15 574	8 722	1 022	195	2 237	832	7 842	335
	PORT	8	2	8	24	11	5	10	2	12	6	1	I	3	4	۲.	1
	ESP	31	6	26	65	36	43	61	11	53	36	1	1	9	14	17	2
	GR	96	6	104	191	154	31	41	11	40	37	1	1	13	15	50	2
	¥	629	ЭQ	752	2 499	2 301	627	1 795	27	830	250	,	r	31	30	403	9
	IRL	151	7	S.	101	80	34	62	9	34	32	1	1	5	6	52	1
	ЖĹ	11 036	882	11 453	23 186	20 722	7 424	20 433	477	4 951	2 159	1 022	195	666	313	2 251	177
	BNL	2 215	165	2 227	3 222	2 580	2 551	3 137	274	1. 302	1 011	1	1	236	36	766	33
	H	795	94	713	1 115	839	731	1 549	89	435	431	1	ł	87	61	408	1.8
	 LL	840	116	820	1 269	1 000	724	861	201	563	468	··	•••••	119	29	505	23
	0	9 168	365	11 065	20 775	15 906	17 362	19 080	1 000	7 354	4 286	8	1	1 071	264	3 387	72
1987	Unit	1 000 pcs	Tomes	1 000 pcs	1 000 sets	000	1 000 pcs	1 000 pcs	Tomes	1 000 sets	000		Tomes				
Year: 1987	Cat	4	4(S) ⁻	5	6	6A	~	60	16	21	27	28 (UK)	28(S)	29	74	78	83

4. It was noted that the above quota adjustment included adjustments in respect of 48 574 two-piece suits of which the upper garments, comprising shirts, blouses or shirt-blouses (conforming to Categories 4, 7 or 8), are made up in identical fabric as the lower garment except that certain patches or trimmings are present on one of the upper or lower garments. In the event that it becomes clearly established during 1988 that, notwithstanding the introduction of the Harmonised System, such combinations of upper and lower garments continue to be classified as suits, the two parties agreed that, at the request of the Community, consultations would be held, prior to 1 October 1988, under the terms of Article 14 of the said Agreement in order to agree appropriate variation of the above quota adjustments with effect from 1 January 1989 in respect of these 48 574 suits.

5. Except for the matter addressed in paragraph 4 above, the two parties agreed that the above quota adjustments fully met their undertaking, in the said Agreement, to address the problem arising from the changed definition of suits consequent on the introduction of the Harmonised System.

Brussels, November 1987

Delegation of the Hong Kong Government

Delegation of the European Economic Community

AGREED MINUTE

1. A delegation of the Hong Kong Government and a delegation of the European Economic Community met on 7 July 1987 in Brussels for consultations on the amount of advance use of 1988 quotas available to Hong Kong during 1987. The consultations were conducted in accordance with Article 6 and 14 of the Agreement on trade in textile products initialled between Hong Kong and the Community on 2 October 1986 in Brussels.

2. As a result of these consultations, the Community and Hong Kong agreed the following overall settlement of advance use of 1988 quotas in 1987:

<u>Group I</u> :	edvance use for Category 2 : up to 3% 3 : up to 2% 4 : up to 2.5% 5 : up to 2.5% 6 : up to 2% 6A : up to 2% 7 : up to 2% 8 : up to 2.5%	
<u>Group II</u> :	advance use for Categories 4(S), 13, 21, 24, 68, 73	
	Categories 13(S), 27, 29, 31, 68(S)	: up to 3.5%
	for all other categories	: up to 3%
Group III:	advance use for Categories 10/11, 61, 109 advance use for Categories 72, 74, 86	: up to 4% : up to 5%
	This settlement is without prejudice to Ar 4 of the above-mentioned Agreement.	ticle 6,

Brussels, 7 July 1987

Delegation of the Hong Kong Delegation of the European Government

Economic Community

AGREED MINUTE

In the context of the Agreement between the Community and Hong Kong on trade in textile products initialled on 2 October 1986, both parties confirm that in line with the footnote contained in the previous bilateral agreement, it is understood that the restraint limit for Category 72 in Annex II to the present Agreement applies only to knitted swimwear in the case of all Member States, except for the Benelux countries. The Category 72 restraint limit for the Benelux countries covers both knitted and woven swimwear.

Head of the Delegation of Hong Kong Head of the Delegation of the European Economic Community

NOTE VERBALE

The Directorate-General for External Relations of the Commission of the European Communities presents its compliments to the Minister for Hong Kong Commercial Relations with the European Communities and has the honour to refer to the Agreement between Hong Kong and the Community on trade in textile products initialled on 2 October 1986 and in particular to Article 12, para 3 thereof.

The Directorate-General has the honour to inform the Minister for Hong Kong Commercial Relations that it is now in a position to propose to the authorities of Hong Kong that the percentage provided for in the said Article 12, para 3, should be equal in 1991 to 8 per cent of the regional quota share into which the transfer is made. The Directorate-General would be grateful if the authorities of Hong Kong would confirm their acceptance of the above adaptation of the Agreement, as agreed at the time of initialling of the said Agreement.

The Directorate-General for External Relations of the Commission of the European Communities avails itself of this opportunity to renew to the Minister for Hong Kong Commercial Relations with the European Communities the assurance of its highest consideration.

Brussels,

Minister for Hong Kong Commercial Relations with the European Communities av. Louise 228

1050 Brussels

NOTE VERBALE

The Minister for Hong Kong Commercial Relations with the European Communities and the Member States presents his compliments to the Directorate-General for External Relations of the Commission of the European Communities and has the honour to refer to the Directorate-General's Note of 22 December 1986 regarding the Agreement in textile products negotiated between Hong Kong and the Community and initialled on 2 October 1986.

The Minister wishes to confirm to the Directorate-General that the Authorities of Hong Kong accept the proposed adaptation of the Agreement in that the percentage provided for in Article 12, paragraph 3 of the said Agreement, should be equal in 1991 to 8 percent of the regional quota share into which the transfer is made.

The Minister for Hong Kong Commercial Relations with the European Communities and the Member States avails himself of this opportunity to renew to the Directorate-General for External Relations of the Commission of the European Communities the assurance of his highest consideration.

26 January 1987

Directorate-General for External Relations Commission of the European Communities Brussels

Brussels, 28 July 1987.

AGREED MINUTE

A delegation of the Hong Kong Government and a delegation of the European Communities met in Brussels on 7 July 1987 for consultations in accordance with Article 14 of the Agreement on trade in textile products initialled between Hong Kong and the Community on 2 October 1986 in Brussels.

In the course of the discussions, problems relating to tlassification of some products, namely knitted jumpsuits, leotards and swimsuits were considered in relation to the implementation of the Hong Kong / EEC bilateral agreement.

In order to overcome temporary difficulties in connection with the abovementioned issue, the two parties agreed that for the year 1987 only the following quantities which would be in addition to the transfers provided in article 6 (3) of the said Agreement but which would not be taken into account in implementing Articles 6 and 12 of the said Agreement, should be transferred from Category 83 to category 4 (limited to Nimexe Code 1987, 600586, 87, 88, 89)

-	Germany	2	tonnes
-	United Kingdom	23	tonnes
•-	Benelux	4	tonnes
-	France	5	tonnes

It was agreed that this special transfer for 1987 would satisfy both parties with regard to the effect of the classification of the products concerned on the respective restraint limits of the categories involved.

Delegation of the Hong Kong Government Delegation of the European Economic Community

EXCHANGE OF NOTES

The Directorate General for External Relations of the Commission of the European Communities presents its compliments to the Minister for Hong Kong Commercial Relations with the European Communities and the Member States and has the honour to refer to the Minister's Note of regarding the Agreement in textile products negotiated between Hong Kong and the Community and initialled on 2 October 1986.

The Directorate General wishes to confirm to the Minister that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the Agreement, the Community is prepared to allow the provisions of the agreement to apply de facto from 1st January 1987. This is on the understanding that either party may at any time terminate this de facto application of the Agreement provided that 120 days' notice is given.

The Directorate General for External Relations avails itself of this opportunity to renew to the Minister of Hong Kong Commercial Relations with the European Communities and the Member States the assurance of its highest consideration.

EXCHANGE OF NOTES

The Minister for Hong Kong Commercial Relations with the European Communities and the Member States presents his compliments to the Directorate General for External Relations of the Commission of the European Communities and has the honour to refer to the Agreement in textile products negotiated between Hong Kong and the Community and initialled on 2 October 1986.

The Minister wishes to inform the Directorate General that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the Agreement, the Government of Hong Kong is prepared to allow the provisions of the Agreement to apply de facto from 1st January 1987 if the Community is disposed to do likewise. This is on the understanding that either party may at any time terminate this de facto application of the Agreement provided that 120 days notice is given.

The Minister would be grateful if the Community would confirm its agreement to the foregoing.

The Minister for Hong Kong Commercial Relations with the European Communities and the Member States avails himself of this opportunity to renew to the Directorate General for External Relations the assurance of his highest consideration.

AGREED MINUTE

The Community and Hong Kong agree that :

- Carryover to the quantitative limits for the year 1987 of quantities not used in 1986 is authorised up to 2 % on the corresponding quantitative limits for 1987 for Group I and up to 3 % for other Groups;
- Advance use of a portion of quantitative limits for 1987 is authorised for any quantitative limit for the year 1986 up to 2 % for Group I and up to 3 % for other Groups, subject to an agreement of the two parties establishing the de facto-application of the new bilateral agreement.

Head of Delegation of Hong Kong

Head of Delegation of the European Economic Community

AGREED MINUTE

With reference to article 12 paragraph 3 of the Agreement on trade in textiles between the European Economic Community and Hong Kong initialled on 2 October 1986, it is understood that the percentage for the fifth year of the application of the Agreement will be at least equal to the percentage applicable in the fourth year.

Head of Delegation of Hong Kong

Head of Delegation of the European Economic Community

DECLARATION CONCERNING ARTICLE 2, PARAGRAPH 3 OF IEE AGREEMENT

The Community declares that, if any amendment is made to the rules of origin referred to in Article 2, paragraph 3 of the Agreement, the Community shall, with the agreement of Hong Kong, take appropriate measures to avoid any possible consequent reduction of Hong Kong's ability to use the quantitative limits established in Annex II of the present Agreement.

The Community further declares that any amendment made to the above-mentioned rules shall continue to be based on criteria not requiring, in order to confer originating status, more extensive operations than those constituting a single complete process.

Joint Declaration regarding Article 10

1. The Community and Hong Kong note the well established and close co-operation which exists between the two parties in preventing and dealing with problems relating to the contravention through circumvention of the provisions of previous Agreements between the Community and Hong Kong, and, in particular, the mutually satisfactory solutions which have been reached on equivalent debiting of the corresponding quantitative limits established under those previous Agreements.

2. The two parties reaffirm their willingness to strengthen this co-operation in all its aspects having regard to the administrative and technical procedures in force in the Community and Hong Kong for the implementation of this Agreement.

3. Hong Kong confirms that its export control system permits the prompt debiting of circumvented amounts to the appropriate quantitative limits established under this and previous Agreements between the Community and Hong Kong.

4. In agreeing to the provisions of Article 10, the Community and Hong Kong also agree, in the light of the foregoing, that for practical and specific reasons, paragraph 3 of that Article shall, as a general rule, be implemented in the following manner:

- where the evidence provided clearly establishes that the provisions of this Agreement have been circumvented, Hong Kong undertakes, at the request of the Community, to debit the circumvented amounts to the appropriate quantitative limits for the year in which the circumvention took place or for subsequent years, the timing and apportioning of such debiting being decided in consultation with the Community, to ensure that, where appropriate, such debiting may be satisfactorily implemented.

5. In respect of circumvention arising from imports into the Community before 1 January 1987, the following shall apply:

- Requests concerning imports from 1 January 1983 shall be dealt with under the terms of Article 10 of this Agreement and this Joint Declaration.

6. Should the consultation period provided for in Article 14 paragraph 1 be insufficient to complete the examination of the evidence adduced the parties may agree to extend that period.