GENERAL AGREEMENT ON TARIFFS AND TRADE

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Arrangements between Sweden and Hong Kong

The following communication has been received by the Director-General from the Swedish delegation:

I have the honour to inform you that, following consultations between the Governments of Hong Kong and Sweden regarding exports by Hong Kong of certain cotton garments to Sweden, a Memorandum of Understanding was signed at Hong Kong on 4 July 1968 by representatives of the two Governments.

A copy of the Memorandum of Understanding is attached. The arrangements recorded in it will apply from 1 June 1968 to 31 May 1969 during which period the Hong Kong Government will limit exports to Sweden of the cotton garments listed in the Annex to the Memorandum at the levels indicated. In reaching agreement on the arrangements recorded in the Memorandum both Governments have had regard to the provisions of the Arrangement regarding International Trade in Cotton Textiles, and in particular to Article 3 of that Arrangement.

My Government would be grateful if you would bring the above information to the notice of the Cotton Textiles Committee.

MEMORANDUM OF UNDERSTANDING (COTTON GARMENTS)

- 1. This Memorandum sets out the arrangements that have been agreed between the Governments of Sweden and of Hong Kong regarding the limits that the Government of Hong Kong are to apply to exports of certain cotton garments for importation into Sweden.
- 2. In reaching agreement on these arrangements, both Governments have had regard to the provisions of the Arrangement Regarding International Trade in Cotton Textiles and in particular to Article 3 of that Arrangement.
- 3. These arrangements apply to Hong Kong's exports to Sweden of the cotton garments listed in the Annex to this Memorandum.
- 4. These arrangements will apply from 1 June 1968 to 31 May 1969. During this period, the Hong Kong Government will limit exports to Sweden of the cotton garments listed in the Annex to the levels set out in column (d) of that Annex.
- 5. The Government of Sweden will not admit imports of the cotton garments of Hong Kong origin listed in the Annex unless such imports are covered by a Hong Kong export licence endorsed by the Commerce and Industry Department, Hong Kong, that the consignments concerned have been debited to the agreed limits.
- 6. The Government of Sweden will so far as possible inform the Hong Kong Government when imports into Sweden of cotton garments that have been debited to the agreed limits are subsequently re-exported from Sweden. The Hong Kong Government may then credit the quantities involved to the appropriate limits.
- 7. The Hong Kong Government will provide the Government of Sweden with fortnightly statistics of exports of the cotton garments listed in the Annex that have been licensed for export to Sweden debited to the limits set out in column (d) of the Annex.
- 8. The Government of Sweden will provide the Hong Kong Government with quarterly statistics of total imports and of imports from other significant suppliers of each of the items listed in the Annex.
- 9. The Government of Sweden and Hong Kong agree to consult together, at the request of either party, on any matter arising from the implementation of these arrangements.

- 10. If the Hong Kong Government consider that, as a result of the restraint imposed by these arrangements, Hong Kong is being placed in an inequitable position vis-à-vis any third country, the Hong Kong Government may request the Government of Sweden to consult with a view to appropriate remedial action such as a reasonable modification of these arrangements.
- 11. The Annex to this Memorandum shall be considered an integral part of it.

Carl C:son Kjellberg, Consul-General,

For the Government of Sweden.

T.D. Sorby, Director, Commerce and Industry Department, For the Government of Hong Kong.

Signed at Hong Kong 4 July 1968.

ANNEX
(See Clause 3 of Memorandum of Understanding)

(a)	(b)	(c)	(d)
Swedish tarifff classification No.	Hong Kong statistical classification No.	Description	Limit 1,000 pieces
60.04.510 60.04.540	841.431 841.442	Shirts, knitted or crocheted) Undergarments, knitted or crocheted, not elastic nor rubberized, women's and girls' wear	1,800
61.01.523 533	ex 841.111	Anoraks and similar jackets, not knitted or crocheted, men's and boys' wear	140
61.01.529 539	ex 841.117	Slacks, jeans and trousers, not knitted or crocheted, men's and boys' wear	1,300
61.01.821 831	ex 841.111	Coats, not knitted or) crocheted, men's and boys') wear, of impregnated) fabric	
	еж 841.123	Raincoats, not rubberized, men's and boys' wear, of impregnated fabric	
	ex 841.124	Car coats, not rubberized,) men's and boys' wear, of) impregnated fabric	130
	ex 841.125	Outergarments of rubberized fabric, of oiled and similar impermeable materials, men's and boys' wear	

(a)	(b)	(c)	(a)
Swedish tariff classification No.	Hong Kong statistical classification No.	Description	Limit 1,000 pieces
61.03.510	841.161	Shirts (other than dress) shirts), not knitted or) crocheted)	
	841.163	Dress shirts, not knitted or crocheted	
61.03.520	841.170	Night garments, not knitted) or crocheted, men's and) boys' wear	2,000
61.04.510	841.186	Night garments, not knitted or crocheted, women's and girls' wear	