

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

### Arrangement between Sweden and Hong Kong

#### Addendum

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

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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 and towels to Sweden, a Memorandum of Understanding was signed at Hong Kong on 4 July 1969, by representatives of the two Governments.

A copy of the Memorandum of Understanding is attached. The arrangements recorded in it will apply from 1 May 1969 to 30 June 1970, during which period the Hong Kong Government will limit exports to Sweden of the items 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

1. This Memorandum of Understanding 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 and towels 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 items listed in the Annex to this Memorandum.
4. These arrangements will apply from 1 May 1969 to 30 June 1970. During this period, the Hong Kong Government will limit exports to Sweden of the items listed in the Annex to the levels set out in column (c) of that Annex.
5. The Memorandum of Understanding between the two Governments, signed at Hong Kong, on 4 July 1968, remained in force until its expiry on 31 May 1969.
6. If in the period 1 June 1968 to 31 May 1969 exports from Hong Kong to Sweden are less than the levels specified in column (c) of the Annex to the Memorandum of 4 July 1968, Hong Kong may export amounts equivalent to such short-falls during the period covered by this Memorandum provided that such exports -
  - (i) are in the groups where the short-falls occurred;
  - (ii) do not exceed 10 per cent of the levels in column (c) of the Annex to the Memorandum of 4 July 1968.
7. The Government of Sweden will not admit imports of the items 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.
8. The Government of Sweden will so far as possible inform the Hong Kong Government when imports into Sweden of exports from Hong Kong 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.
9. The Hong Kong Government will provide the Government of Sweden with fortnightly statistics of exports of the items listed in the Annex that have been licensed for export to Sweden debited to the limits set out in column (c) of the Annex.

10. 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.
11. The Governments 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.
12. 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.
13. The Annex to this Memorandum shall be considered an integral part of it.

For the Government of Sweden

For the Government of Hong Kong

Jan Bure Burman  
Vice-Consul

D.H. Jordan  
Director of Commerce and Industry

Signed at Hong Kong  
4 July 1969

ANNEX

(See Clause 3 of Memorandum of Understanding)

Group No.	Swedish Stat. Classification No.	Hong Kong Stat. Classification No.	Description	Limit
(a)	(b)	(c)	(d)	(e)
I	60.04.105	841.431	Shirts, knitted or crocheted	3,730,000 pieces
	60.04.205	841.445 841.448	Night garments, knitted or crocheted, not elastic nor rubber- ized, men's and boys' and women's and girls' wear	
	60.04.705 60.04.805	841.439 841.442	Undergarments, knitted or crocheted, not elastic nor rubber- ized, men's and boys' and women's and girls' wear	
	60.05.305 505	ex 841.461 ex 841.464	Sweaters, pullovers, slipovers, jumpers and cardigans (excluding jackets) knitted or crocheted, men's and boys' and women's and girls' wear	
II	ex 61.02.505	841.137	Blouses and jumpers, not knitted or cro- cheted, not embroidered, women's and girls' wear	1,665,000 pieces
	61.03.105	841.161	Shirts (other than dress shirts) not knitted or crocheted	
		841.163	Dress shirts, not knitted or crocheted	

Group No.	Swedish Stat. Classification No.	Hong Kong Stat. Classification No.	Description	Limit
(a)	(b)	(c)	(d)	(e)
III	61.01.505	ex 841.117 ex 841.146	Slacks, jeans and trousers, not knitted or crocheted (excluding shorts), men's and boys' and women's and girls' wear	1,620,000 pieces
IV	ex 62.02.305	656.919	Towels (other than dish towels), not embroidered	292 metric tons