GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1742*
3 July 1992

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Extension of the bilateral agreement between the EEC and Brazil

The Textiles Surveillance Body received a notification from the EEC of an extension of its bilateral agreement with Brazil for the period 1 January to 31 December 1992. This extension replaced a provisional three-month extension.[1]

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

[1]The bilateral agreement and a previous amendment are contained in COM.TEX/SB/1287 and 1743.

[2]See COM.TEX/SB/35, Annex B.

*English only/Anglais seulement/Inglés solamente

92-0867

AGREEMENT

In the form of Exchange of Letters amending the Agreement between the European Economic Community and the Federative Republic of Brazil on trade in textile products

Letter Number One

Sir,

1. I have the honour to refer to the consultations held on 26 and 27 February 1992 between our respective delegations for the purpose of amending the Agreement on trade in textile products between the European Economic Community and the Federative Republic of Brazil, initialled on 12 September 1986 and applied since 1 January 1987, as extended by the Exchange of Letters initialled on 20 December 1991.

2. As a result of these consultations, both parties agreed to further amend Article 17, paragraph 1 of the above Agreement so as to extend the period of application of all the provisions of the Agreement until 31 December 1992. Consequently, the parties also agreed to amend Annex II of the Agreement for the January-December period 1992 as regards the quantitative limits for exports from the Federative Republic of Brazil to the Community of the textile products referred thereto. The modified Annex II is appended to this letter (Appendix 1).

3. The parties also agreed that as regards Article 13, paragraph 3, of the agreement, the percentage of inter-regional transfers for the year 1992 is fixed at 40 per cent.

It is understood that if as a result of the application of the above percentage serious difficulties, following significant changes in the pattern of trade, occur in certain regions of the Community, both parties shall hold consultations without delay with a view to reviewing the situation.

4. Both parties agreed that this extension of the Agreement enters into force on 1 January 1992, shall remain in force until 31 December 1992 and shall replace the Exchange of Letters of 20 December 1991. The parties agreed that this Agreement is applied provisionally from 1 January 1992.

5. I should be obliged if you would kindly confirm the acceptance of your Government to the foregoing.

6. Please accept, Sir, the assurance of my highest consideration.

For the Council
of the European Communities

APPENDIX 1

ANNEX II

COMMUNITY QUANTITATIVE LIMITS

CATEGORY	UNIT	1/1/92 - 31/12/92
1	T	35.140
2	T	21.975
2a)	T	4.593
3	T	2.086
6[1]	1.000 pieces	2.974
9	T	6.153
20	T	3.817
39	T	2.960
46	T	17.151

REGIONAL LIMITS

4	1.000 pieces	F	463
		I	5.110
		UK	3.285
13	1.000 pieces	ES	380
		PT	63

[1]For the purpose of setting off exports against the agreed 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 5 per cent of the quantitative limits.

AGREEMENT

In the form of Exchange of Letters amending the Agreement between the European Economic Community and the Federative Republic of Brazil on trade in textile products

Letter Number Two

Sir,

I have the honour to acknowledge receipt of your letter of 27 February 1992, which reads as follows:

"Letter Number One"

I have the honour to confirm that my Government is in agreement with the contents of your letter.

Please accept, Sir, the assurance of my highest consideration.

For the Government of
the Federative Republic of Brazil

EXCHANGE OF NOTES

The Directorate General for External Relations of the Commission of the European Communities presents its compliments to the Mission of the Federative Republic of Brazil with the European Communities and has the honour to refer to the Agreement in textile products negotiated between the Federative Republic of Brazil and the Community, initialled on 12 September 1986 and applied since 1 January 1987, as extended by the exchange of letters initialled on 27 February 1992.

The Directorate General wishes to inform the Mission that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the extended Agreement, the Community is prepared to allow the provisions of the Agreement to apply de facto from 1 January 1992. This is on the understanding that either party may at any time terminate this de facto application of the extended Agreement provided that 60 days' notice is given.

The Directorate General for External Relations would be grateful if the Mission would confirm its agreement to the foregoing.

The Directorate General for External Relations avails itself of this opportunity to renew to the Mission of the Federative Republic of Brazil to the European Communities the assurance of its highest consideration.

EXCHANGE OF NOTES

The Mission of the Federative Republic of Brazil to the European Communities presents its 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 ... regarding the Agreement in textile products negotiated between the Federative Republic of Brazil and the Community, initialled on 12 September 1986 and applied since 1 January 1987, as extended by the exchange of letters initialled on 27 February 1992.

The Mission wishes to confirm to the Directorate General that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the extended Agreement, the Government of the Federative Republic of Brazil is prepared to allow the provisions of the extended Agreement to apply de facto from 1 January 1992. This is on the understanding that either party may at any time terminate this de facto application of the extended Agreement provided that 60 days' notice is given.

The Mission of the Federative Republic of Brazil to the European Communities avails itself of this opportunity to renew to the Directorate General for External Relations the assurance of his highest consideration.