

ADDITIONAL PROTOCOL

**to the Europe Agreement on trade in textile products between the European Economic Community
and the Czech and Slovak Federal Republic**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

of the one part, and

THE GOVERNMENT OF THE CZECH AND SLOVAK FEDERAL REPUBLIC,

of the other part,

DESIRING to promote, with a view to permanent cooperation and in conditions providing the utmost security for trade, the mutual expansion and orderly and equitable development of trade in textile products between the European Economic Community (hereinafter the 'Community') and the Czech and Slovak Federal Republic (hereinafter 'CSFR'),

RESOLVED to take the fullest possible account of the serious economic and social problems at present affecting the textile industry in both importing and exporting countries, in particular in order to eliminate the real dangers of damage to both the Community and CSFR markets for textile products,

BEARING IN MIND the objectives of the Europe Agreement between the Community and CSFR signed in Brussels on 16 December 1991 and, in particular, those referred to in Article 1 thereof,

HAVING REGARD to the Europe Agreement and in particular Article 15 thereof,

HAVING REGARD to the Interim Agreement between the Community and CSFR signed in Brussels on 16 December 1991 and in particular to Article 9 thereof,

HAVING REGARD to Protocol 1 on textile and clothing products to the Europe Agreement and to the Interim Agreement, and in particular to Article 3 thereof,

HAVE DECIDED to conclude this Protocol and to this end have designated as their Plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

THE GOVERNMENT OF THE CZECH AND SLOVAK FEDERAL REPUBLIC:

WHO HAVE AGREED AS FOLLOWS:

Article 1

1. The further development of trade and industrial cooperation between the textile and clothing industries in the Community and in the CSFR is an underlying principle of this Protocol which establishes the quantitative arrangements applicable to trade in textile and clothing products (hereinafter 'textile products') originating in the CSFR and in the Community, which are listed in Annex I.

2. Under the terms of this Protocol, all quantitative restrictions and measures of equivalent effect on imports in both Parties on textile products originating in the other Party, shall be eliminated at the end of the period referred to in Agreed Minute No 6.

3. Consultations will be held during the third year of application of this Protocol on the global situation and progress towards final liberalization.

Article 2

1. The classification of the products covered by this Protocol and imported into the Community is based on the tariff and statistical nomenclature of the Community (hereinafter called the 'combined nomenclature' or, in abbreviated form, 'CN') and any amendments thereof.

2. The Parties agree that the introduction of changes, such as changes in practices, rules, procedures and

categorization of textile products, including those changes relating to the Harmonized System and the combined nomenclature, in the implementation or administration of those restrictions applied under this Protocol, should not affect the balance of rights and obligations between the Parties under this Protocol; adversely affect the access available to a Party; impede the full utilization of such access; or disrupt trade under this Protocol. The Party initiating any such changes shall inform the other Party before their entry into force.

The procedures for implementation of classification changes are set out in Appendix A.

3. The origin of the products covered by this Protocol shall be determined in accordance with the rules of origin in force in the Community.

The CSFR shall be notified of any amendments to the said rules of origin.

The procedures for checking the origin of the textile products are laid down in Appendix A.

Article 3

1. The CSFR hereby agrees for each of the years of the Protocol's application to restrain its exports to the Community of the products included in Annex II to the limits set out therein.

2. The number and level of quantitative restrictions applied to direct imports of textile products, expressed in terms of CN codes, of Community origin into the CSFR for each year of the Protocol's application are listed in Annex III.

3. Unless it is otherwise provided for in this Protocol, the CSFR and the Community hereby agree not to introduce new quantitative restrictions or measures of equivalent effect, on trade in textile products between the two Parties, and not to increase the number of existing ones as compared to those in force on 31 December 1992.

4. Exports to the Community of textile products listed in Annex II and originating in the CSFR shall be subject to a double-checking system as specified in Appendix A.

Article 4

1. The CSFR and the Community recognize the special and differential character of reimports of textile products into the Community after processing, manufacturing or working in the CSFR as a specific form of industrial and trade cooperation.

2. Save where it is otherwise provided for in Appendix B, such reimports into the Community shall not be subject to the quantitative limits of the products established in Annex II, provided that they are effected in accordance with the

regulations on economic outward processing traffic in force in the Community and are eligible for the specific arrangements laid down in Appendix B to this Protocol.

Article 5

1. Imports into either of the Parties of textile products covered by this Protocol shall not be subject to the quantitative limits established in Annex II or Annex III, provided that they are declared to be for re-export from the importing Party in the same state or after processing, under the administrative system of control existing in the Parties.

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

2. Where the competent authorities in one Party have evidence that imports of textile products have been set off against a quantitative limit established under this Protocol, but that the products have subsequently been re-exported from that Party, the authorities concerned shall inform the authorities of the other Party within four weeks of the quantities involved and shall authorize imports of the same quantities of identical category of product, which shall not be set off against the quantitative limit established under this Protocol for the current or following year, as appropriate.

3. Exports of both Parties of cottage-industry fabrics woven on hand- or foot-operated looms, garments or other made-up articles obtained manually from such fabrics, and of traditional folklore handicraft products shall not be subject to quantitative limits. However, exports of these products originating in the CSFR must meet the conditions laid down in Appendix C.

Article 6

1. In any year, advance use of a portion of the quantitative limit established in Annex II for the following year shall be authorized for each category of products up to 6% of the quantitative limit for the current year.

Amounts delivered in advance shall be deducted from the corresponding quantitative limit established for the following year.

2. Carry-over to the corresponding quantitative limit for the following year of amounts not used during any given Protocol year shall be authorized up to 10% of the quantitative limit for the current year for the quantitative limits established in Annex II.

3. In the case of Group I, transfers shall be allowed only in the following cases:

- amounts may be transferred from category 1 to categories 2 and 3, or from categories 2 and 3 to category 1 up to 7% of the quantitative limit for the category to which the transfer is made,
- amounts may be transferred between categories 2 and 3 up to 7% of the quantitative limits for the category to which the transfer is made,
- the total quantities transferred to categories 2 and 3 in accordance with the first two indents of this paragraph may not exceed 7% of the category to which the transfer is made,
- amounts may be transferred between categories 4, 5, 6, 7 and 8 up to 7% of the quantitative limit for the category to which the transfer is made.

Amounts may be transferred into any category in Groups II and III from any category in Groups I, II and III up to 10% of the quantitative limit for the category to which the transfer is made.

4. The table of equivalence applicable to the transfers referred to in paragraph 3 above is given in Annex I.

5. The increase in any given category of products resulting from the cumulative application of the provisions in paragraphs 1, 2 and 3 during a single year must not exceed the limits of 17% for categories of products in Groups I, II and III.

6. The authorities of the exporting Party must notify the other Party of any recourse to the provisions of paragraphs 1, 2 and 3; at least 15 days in advance.

Article 7

1. Should one Party consider that imports of textile products not subject to quantitative limits, originating in the other Party and covered by this Protocol take place in such increased, absolute or relative, quantities and under such conditions, so as to threaten to cause:

- injury to the importing Party's production of like or directly competitive products, or
- where the economic interests of the importing Party so require,

it may impose a prior or retrospective surveillance system on the category of products concerned for, in principle, a limited period of time.

2. The Party that is intended to introduce a surveillance system under paragraph 1 shall inform at least one working day in advance of its introduction the other Party, and consultations may be requested by either Party under Article 14 of this Protocol.

3. Where a surveillance system is established under this Article by the Community, the relevant provisions on double-checking, classification and certification of origin laid down in Appendix A shall be applied by the CSFR, as appropriate.

Article 8

1. Exports of textile products to either Party which are not subject to quantitative limits, may be made subject to quantitative limits in accordance with the following paragraphs.

2. Should one Party consider that imports of textile products originating in the other Party and covered by this Protocol take place in such increased quantities, or under such conditions, so as to cause serious damage or actual threat thereof, to the importing Party's production of like or directly competitive products, it may request consultations under Article 14 of this Protocol with a view to reaching agreement on an appropriate quantitative limit for the textile category in question.

The quantitative limits agreed upon may in no case be lower than 110% of the level of the importing Party's imports during the 12-month period terminating two months, or, where data is not available, three months, preceding the month in which the request for consultation is made, of products in that category originating in the other Party.

3. In critical circumstances where delay would cause damage difficult to repair, action may be taken provisionally by the importing Party on the condition that the request for consultations shall be effected immediately afterwards. This action shall take the form of a quantitative restraint on CSFR exports to, or imports from, the Community, for a provisional three-month period starting from the date of the request. Such a provisional limit shall be set at 25%, at least, of the level of imports or exports during the 12-month period terminating two months, or, where data is not available, three months, preceding the month in which the request for consultation is made.

4. Should the consultations not lead to an agreed solution within one month then the provisional restraint referred to in paragraph 3 can be either renewed for a further three-month period pending further consultations, or made definitive at an annual level not lower than 100% of the imports for the 12-month period terminating two months, or where data is not available, three months, preceding the month in which the request for consultation is made.

5. Where paragraphs 2, 3 or 4 are applied, either Party shall authorize imports belonging to the textile category of products in question, which were shipped from the other Party before the submission of the request for consultation.

Where paragraphs 2, 3 or 4 are applied, the Party concerned undertakes to issue export or import licences for products covered by contracts effectively concluded before the introduction of the quantitative limit, but up to the volume of the quantitative limit fixed.

6. The duration of the measure and the annual growth rates to be applied to any quantitative limit introduced under this Article shall be decided when introducing the measure.

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

8. Measures invoked pursuant to the provisions of this Article can in no case remain in force after the period for the elimination of all quantitative restrictions, and measures of equivalent effect, laid down in this Protocol, has elapsed.

Article 9

1. Nothing in this Protocol prevents a Party from unilaterally removing a quantitative limitation or increasing the level of access under a limitation, should the conditions in its market so permit.

Article 10

1. The CSFR undertakes to supply the Community with precise statistical information on all export and import licences issued by the CSFR authorities for all categories of textile products subject to the quantitative limits established under this Protocol, and on all certificates issued by the CSFR authorities for all products referred to in Article 5 (3) which are covered by the provisions of Appendix C to this Protocol.

The Community shall similarly transmit to the CSFR authorities precise statistical information on import authorizations issued by the Community authorities in connection with the export licences and the certificates issued by the CSFR.

2. For all categories of products, the information referred to in paragraph 1 shall be transmitted by the end of the month following the month to which the statistics relate.

3. The Parties undertake to provide each other's authorities, by 15 April of each calendar year, with the preceding year's statistics on imports of all textile products covered by this Protocol.

Either Party shall, at the other Party's request, transmit available statistical information on all exports of textile products covered by this Protocol.

The Parties shall transmit to each other's authorities statistical information on the products covered by Article 5 (1).

4. For all categories of products the information referred to in paragraph 3 above shall be transmitted by the end of the third month following the quarter of the year to which the statistics relate.

5. Should it be found, on analysis of the information exchanged, that there are significant discrepancies in the

statistics between the returns for exports and those for imports, consultations may be held in accordance with the procedure specified in Article 14 of this Protocol.

Article 11

1. In view of ensuring the effective functioning of this Protocol between the CSFR and the Community, the Parties agree to cooperate fully in order to prevent, to investigate and to take any necessary legal and/or administrative action against circumvention by transshipment, re-routing, false declaration concerning country or place, of origin, falsification of documents, false declaration concerning fibre content, quantities description or classification of merchandise and by whatever other means. Accordingly, the CSFR and the Community agree to establish the necessary legal provisions and administrative procedures permitting effective action to be taken against such circumvention, which shall include the adoption of legally binding corrective measures against exporters and/or importers involved.

2. Should either Party believe on the basis of information available that the present Protocol is being circumvented, that Party will consult with the other Party with a view to reaching a mutually satisfactory solution. These consultations will be held as early as possible and at the latest within 30 days from the date of request.

3. Pending the results of the consultations referred to in paragraph 2, either Party shall, as a precautionary measure, if so requested by the other Party, take all necessary measures to ensure that, where sufficient evidence of circumvention is provided, adjustments of quantitative limits liable to be agreed following the consultations referred to in paragraph 2, may be carried out for the quota year in which the request to open consultations in accordance with paragraph 2 was made, or for the following year if the quota for the current year is exhausted.

4. Should the Parties be unable, in the course of the consultation referred to in paragraph 2, to reach a mutually satisfactory solution, the initiating Party shall have the right:

- (a) where there is sufficient evidence that products originating in the other Party have been imported in circumvention of the present Protocol, to set off the relevant quantities against the quantitative limits established under the Protocol;
- (b) where sufficient evidence shows that false declaration concerning fibre content, quantities, description or classification of products originating in the other Party has occurred, to refuse to import the products in question;
- (c) should it appear that the territory of the other Party is involved in transshipment or re-routing of products not originating in that Party, to introduce quantitative limits against the same products originating in the

other Party if they are not already subject to quantitative limits, or to take any other appropriate measures.

5. Without prejudice to Protocol 6 on mutual assistance in customs matters to the Euröpe Agreement, the Parties agree to establish a system of administrative cooperation to prevent and to address effectively all problems arising from circumvention in accordance with the provisions of Appendix A.

Article 12

1. The quantitative limits established under this Protocol on imports into the Community of textile products of CSFR origin will not be broken down by the Community into regional shares.

2. The Parties shall cooperate in order to prevent sudden and prejudicial changes in traditional trade flows resulting in regional concentration of direct imports into the Community.

3. The CSFR shall monitor its exports of products under restraint or surveillance into the Community. Should a sudden and prejudicial change in traditional trade flows arise, the Community will be entitled to request consultations in order to find a satisfactory solution to those problems. Such consultations must be held within 15 working days of their being requested by the Community.

4. The CSFR shall endeavour to ensure that exports of textile products subject to quantitative limits into the Community are spaced out as evenly as possible over the year due account being taken in particular of seasonal factors.

Article 13

1. The Parties shall refrain from discrimination in the allocation of the export licences and import authorizations or documents referred to in Appendices A and C.

2. Should either Party find that the application of this Protocol or the commercial practices of either Party are disturbing existing commercial relations between the Community and the CSFR consultations shall be started promptly, in accordance with the procedure specified in Article 14 with a view to remedying this situation.

Article 14

1. Save where it is otherwise provided, the special consultation procedures referred to in this Protocol shall be governed by the following rules:

- any request for consultations shall be notified in writing to the other Party,
 - the request for consultation shall be followed within 15 days of the notification by 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 one month of notification of the request at the latest, with a view to reaching agreement or a mutually acceptable conclusion within one further month at the latest.
2. If necessary, at the request of either of the Parties, consultations shall be held on any problems arising from the application of this Protocol. Any consultations held under this Article shall take place in a spirit of cooperation and with a desire to reconcile the differences between the Parties.

Article 15

1. This Protocol shall enter into force on the first day of the month following the date on which the Parties notify each other of the completion of the procedures necessary for that purpose. This Protocol shall apply provisionally from 1 January 1993. It shall expire at the end of the period referred to in Agreed Minute No 6.

2. Either Party may at any time propose consultations in accordance with Article 14, with a view to agreeing amendments to this Protocol.

3. Either Party may, at any time, denounce this Protocol by notifying the other Party. This Protocol shall cease to apply six months, or three months if denounced for reasons related to those set out in Agreed Minute No 5, after the date of such notification and the quantitative limits established under this Protocol shall be reduced proportionately.

4. The Annexes, Appendices, Agreed Minutes and joint memoranda attached to this Protocol shall form an integral part thereof.

5. This Protocol shall form a integral part of the Europe Agreement between the Community and the CSFR, signed on 16 December 1991 and of the Interim Agreement signed between the Parties on the same date.

Article 16

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

ANNEX I

(The contents of Annex I are identical to those of Annex I to the Additional Protocol with Hungary; see pages 396 to 423)

ANNEX II

COMMUNITY QUANTITATIVE LIMITS FOR THE CSFR

(The full product descriptions of the categories listed in this Annex are to be found in Annex I to the Protocol)

COMMUNITY QUANTITATIVE LIMITS

Category	Unit	1993	1994	1995	1996	1997
2	tonnes	16 550	16 881	17 219	17 563	17 914
2 (a)	tonnes	7 550	7 701	7 855	8 012	8 172
3	tonnes	6 420	6 677	6 944	7 222	7 510
4	1 000 pieces	7 400	7 696	8 004	8 324	8 657
5	1 000 pieces	5 700	5 928	6 165	6 412	6 668
6	1 000 pieces ⁽¹⁾	4 500	4 680	4 867	5 062	5 264
7	1 000 pieces	1 920	1 997	2 077	2 160	2 246
8	1 000 pieces	7 200	7 416	7 638	7 868	8 104
9	tonnes	1 450	1 508	1 568	1 631	1 696
12	1 000 pairs	25 000	26 250	27 563	28 941	30 388
15	1 000 pieces	1 400	1 470	1 544	1 621	1 702
16	1 000 pieces	2 000	2 100	2 205	2 315	2 431
17	1 000 pieces	1 280	1 357	1 438	1 525	1 616
20	tonnes	2 700	2 862	3 034	3 216	3 409
24	1 000 pieces ⁽¹⁾	5 000	5 250	5 512	5 788	6 078
26	tonnes	2 000	2 100	2 205	2 315	2 431
32	tonnes	3 900	4 134	4 382	4 645	4 924
36	tonnes	1 800	1 890	1 985	2 084	2 188
39	tonnes	1 515	1 606	1 702	1 804	1 913
76	tonnes	3 750	3 975	4 214	4 466	4 734
90	tonnes	3 850	4 081	4 326	4 585	4 861
110	tonnes	3 500	3 710	3 933	4 169	4 419
117	tonnes	3 200	3 392	3 596	3 811	4 040
118	tonnes	1 150	1 219	1 292	1 370	1 452

⁽¹⁾ For the purpose of setting off exports against the agreed quantitative limits a conversion rate of five garments (other than babies' garments) of a maximum commercial size of 130 cm, or three garments whose commercial size exceeds 130 cm may be applied for up to 5% of the quantitative limits. The export licence concerning these products must bear, in box 9, the words 'The conversion rate for garments of a commercial size of not more than 130 cm must be applied.'

ANNEX III

On the date of initialling the Protocol, the CSFR has no quantitative restrictions or measures of equivalent effect on imports of textile and clothing products originating in the Community.

Appendix A

TITLE I
CLASSIFICATION

Article 1

1. The competent authorities of the Community undertake to inform the CSFR of any changes in the combined nomenclature (CN) before the date of their entry into force in the Community.
2. The competent authorities of the Community shall inform the competent authorities of the CSFR of any decisions relating to the classification of products subject to the present Protocol, within one month of their adoption at the latest. Such communication shall include:
 - (a) a description of the products concerned;
 - (b) the relevant category, related CN codes;
 - (c) the reasons which have led to the decision.
3. Where a classification decision results in a change of classification practice or a change in category of any product subject to the present Protocol, the affected products shall follow the trade regime applicable to the practice or category they fall into after such change, as provided for in this Protocol. Any such decision shall enter into force 30 days after it has been notified to the other Party.

The Contracting Parties agree to enter into consultation in accordance with the procedures described in Article 14 of the Protocol with a view to honouring the obligation under Article 2 (2) of the Protocol.

Products shipped before the date of the application of the decision shall remain subject to the earlier classification practice, provided that the goods in question are presented for importation within 60 days of that date.

4. In case of divergent opinions between the CSFR and the competent Community authorities at the point of entry into the Community on the classification of products covered by the present Protocol, classification shall provisionally be based on indications provided by importing parties, pending consultations in accordance with Article 14 with a view to reaching agreement on the classification concerned. In case no agreement can be reached, the classification of the goods is to be submitted to the Nomenclature Committee for a definitive classification in the combined nomenclature.

TITLE II
ORIGIN

Article 2

1. Products originating in the CSFR for export to the Community in accordance with the arrangements

established by this Protocol shall be accompanied by a certificate of CSFR origin conforming to the model annexed to this Protocol.

2. However, products in Group III can be imported into the Community under the regime established by this Protocol on the presentation of a declaration of the exporter on the invoice or another commercial document, attesting that the products in question originate in the CSFR in accordance with the relevant provisions in force in the Community.

3. The certificate of origin referred to in paragraph 1 above is not required for the importation of goods covered by a movement certificate EUR 1 or a form EUR 2 issued in conformity with Protocol 4 of the Europe Agreement.

Article 3

The certificate of origin is issued to the exporter only on receipt of a written request from either him or his representative. The competent authorities of the CSFR are obliged to ensure that the certificates of origin are correctly filled out; to this end they shall call for any necessary document, any evidence or carry out any check which they consider appropriate.

Article 4

Where different criteria for determining origin are laid down for products falling within the same category, the certificates or declarations of origin must contain a sufficiently detailed description of the goods so as to enable the criterion to be determined, on the basis of which the certificate was issued or the declaration drawn up.

Article 5

The discovery of slight discrepancies between details on the certificate of origin and those on the documents produced at the customs office when going through the import formalities for the goods, does not, *ipso facto*, cast doubt upon the statements in the certificate.

TITLE III

DOUBLE-CHECKING SYSTEM FOR THE CATEGORIES OF
PRODUCTS SUBJECT TO COMMUNITY QUANTITATIVE
LIMITS

Section I
Exportation

Article 6

The competent authorities of the CSFR shall issue an export licence in respect of all consignments from the CSFR of textile

products referred to in Annex II, up to the relevant quantitative limits as may be modified under the provisions of this Protocol and of textile products subject to any quantitative limits or surveillance system established as a result of the application of Articles 7 and 8 of the Protocol.

Article 7

1. The export licence shall conform to the model annexed to this Appendix and it shall be valid for exports throughout the customs territory to which the Treaty establishing the European Economic Community is applied. However, where the Community has made recourse to the provisions of Articles 7 and 8 in accordance with the provision of Agreed Minute No 1, or to Agreed Minute No 2, the textile products covered by the export licences can only be put into free circulation in the region(s) of the Community indicated in those licences.

2. Each export licence must certify, *inter alia*, that the quantity of product in question has been set off against the quantitative limit established for the category of the product concerned and shall only cover one of the categories of products listed in Annex II to the Protocol. It is to be used for one or more consignments of the products in question.

3. Where the conversion rate provided for in Annex II is applied, the following note must be inserted in box 9 of the export licence: 'Conversion rate for garments of a commercial size not exceeding 130 cm is to be applied'.

Article 8

The competent authorities of the Community must be informed immediately of the withdrawal or modification of any export licence already delivered.

Article 9

1. Exports shall be set off against the quantitative limits established for the year in which the shipment of the goods has been effected even if the export licence is issued in accordance with this Protocol 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 onto the exporting aircraft, vehicle or vessel.

Article 10

The presentation of an export licence, in application of Article 12 hereafter, shall be effected not later than 31 March of the year following that in which the goods covered by the licence were shipped.

Section II

Importation

Article 11

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

Article 12

1. The competent authorities of the Community shall issue the import authorization or document referred to in Article 11 above, automatically within a maximum of five working days of the presentation by the importer of the original of the corresponding export licence.

2. The import authorizations shall be valid for six months from the date of their issue for imports throughout the customs territory to which the Treaty establishing the European Economic Community is applied. However, where the Community has recourse to the provisions of Articles 7 and 8 in accordance with the provisions of Agreed Minute No 1, or to Agreed Minute No 2, the products covered by the import licences can only be put into free circulation in the region(s) of the Community indicated in those licences.

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

However, if the competent authorities of the Community are notified of the withdrawal or the cancellation of the export licence only after the importation of the products into the Community, the relevant quantities shall be set off against the quantitative limits established for the category and the quota year concerned.

Article 13

1. If the competent authorities of the Community find that the total quantities covered by export licences issued by the CSFR for a particular category in any year exceed the quantitative limit established for that category established in Annex II for that category as may be modified in accordance with the provisions of this Protocol, or any quantitative limit established in accordance with Article 8 of this Protocol, the said authorities may suspend the further issue of import authorizations or documents. In this event, the competent authorities of the Community shall immediately inform the authorities of the CSFR and the special consultation procedure set out in Article 14 of this Protocol shall be initiated forthwith.

2. Exports of products of CSFR origin subject to quantitative limits or a surveillance system not covered by CSFR export licences issued in accordance with the

provisions of this Appendix may be refused an import authorization or document by the competent Community authorities.

However, if the import of such products is allowed into the Community by the competent authorities of the Community, the quantities involved shall not be set off against the appropriate quantitative limits established in Annex II, or established by virtue of Article 8 of the Protocol, without the express agreement of the competent authorities of the CSFR, save as provided for in Article 11 of the Protocol.

TITLE IV

FORM AND PRODUCTION OF EXPORT CERTIFICATES AND CERTIFICATES OF ORIGIN, AND COMMON PROVISIONS CONCERNING EXPORTS TO THE COMMUNITY

Article 14

1. The export licence and the certificate of 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 block capitals.

These documents shall measure 210 × 297 mm. The paper used shall be white writing paper, sized, not containing mechanical pulp, and weighing not less than 25 g/m².

If the documents have several copies only the top copy, which is the original, shall be printed with the guilloche pattern background. This copy shall be clearly marked as 'original' and the other copies as 'copies'. Only the original shall be accepted by the competent authorities of the Community as being valid for the control of export to the Community in accordance with the provisions of this Protocol.

2. Each document shall bear a standardized serial number, whether or not printed, by which it can be identified.

This number shall be composed of the following elements:

- two letters identifying the exporting country as follows:
CS,
- two letters identifying intended member State of customs clearance as follows:
 - BL = Benelux,
 - DE = Federal Republic of Germany,
 - DK = Denmark,
 - EL = Greece,
 - ES = Spain,
 - FR = France,
 - GB = United Kingdom,
 - IE = Ireland,
 - IT = Italy,
 - PT = Portugal,

- a one-digit number identifying quota year, corresponding to the last figure in the respective year, e.g. 7 for 1997,
- a two-digit number from 01 to 99, indentifying the particular issuing office concerned in the exporting country,
- a five-digit number running consecutively from 00001 to 99999 allocated to the intended Member State of customs clearance.

Article 15

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

Article 16

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' or 'duplicate'.

2. The duplicate shall bear the date of the original export licence or certificate of origin.

TITLE V

PROVISIONS CONCERNING COMMUNITY EXPORTS TO THE CSFR

Article 17

Should it be necessary, either Party may request consultations in accordance with Article 14 of the Protocol, in order to establish specific administrative provisions concerning Community exports to the CSFR.

Such provisions shall afford the same or equivalent degree of protection to Community exporters as is provided for CSFR exporters under this Protocol.

TITLE VI

ADMINISTRATIVE COOPERATION

Article 18

The Community and the CSFR shall cooperate fully in the implementation of the provisions of this Protocol. To this end, contacts and exchanges of views, including on technical matters, shall be facilitated by both Parties.

Article 19

In order to ensure the correct application of this Appendix, the Community and the CSFR offer mutual assistance for the checking of the authenticity and the veracity of export licences and certificates of origin issued or of any declarations made within the terms of this Appendix.

Article 20

The CSFR shall transmit to the Commission of the European Communities the names and addresses of the authorities competent to issue and verify the export licences and the certificates of origin, together with specimens of the stamps used by these authorities and specimen signatures of officials responsible for signing the export licences.

Article 21

1. Subsequent verification of certificates of origin or export licences shall be carried out at random, or whenever the competent Community authorities have reasonable doubt as to the authenticity of the certificate or licence or as to the accuracy of the information regarding the true origin of the products in question.

2. In such cases, the competent authorities in the Community shall return the certificate of origin or the export licence or a copy thereof to the competent Hungarian authority, giving, where appropriate, the reasons of form or substance which justify an enquiry. If the invoice has been submitted, such invoice or a copy thereof shall be attached to the certificate or to the licence or their copies. 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. The provisions of paragraph 1 above shall also apply to subsequent verifications of the declarations of origin provided for in Article 2 of this Appendix.

4. The results of the subsequent verifications carried out in accordance with paragraphs 1 and 2 above shall be communicated to the competent authorities of the Community within three months at the latest.

The information communicated shall indicate whether the disputed certificate, licence or declaration, applies to the goods actually exported and whether these goods are eligible for export under the arrangements established by this Protocol. The information shall also include, at the request of the Community, copies of all the documentation necessary to fully determine the facts, and in particular the true origin of the goods.

Should such verifications reveal systematic irregularities in the use of declarations of origin, the Community may

subject imports of the products in question to the provisions of Article 2 (1) of this Appendix.

5. For the purpose of subsequent verification of certificates of origin, copies of the certificates as well as any export documents referring to them shall be kept for at least three years by the competent CSFR authorities.

6. Recourse to the random verification procedure specified in this Article must not constitute an obstacle to the release for home use of the products in question.

Article 22

1. Where the verification procedure referred to in Article 21 or where information available to the competent authorities of the Community or of the CSFR indicates or appears to indicate that the provisions of this Protocol are being circumvented or infringed, the two Parties shall cooperate closely and with the appropriate urgency in order to prevent any such circumvention or infringement.

2. To this end, the competent authorities of the CSFR shall, on their own initiative or at the request of the Community, carry out appropriate inquiries, or arrange for such inquiries to be carried out, concerning operations which are, or appear to the Community to be, in circumvention or infringement of this Protocol. The CSFR shall communicate the results of these inquiries to the Community, including any other pertinent information enabling the cause of the circumvention or infringement, including the true origin of the goods, to be determined.

3. By agreement between the Community and the CSFR, officials designated by the Community may be present at the inquiries referred to in paragraph 2 above.

4. In pursuance of the cooperation referred to in paragraph 1 above, the competent authorities of the Community and the CSFR shall exchange any information considered by either Party to be of use in preventing circumvention or infringement of the provisions of this Protocol. These exchanges may include information on the production of textiles products in the CSFR and on the trade in the type of products covered by this Protocol between the CSFR and third countries, particularly where the Community has reasonable grounds to consider that the products in question may be in transit across the territory of the CSFR prior to their importation into the Community. This information may include at the request of the Community copies of all available relevant documentation.

5. Where sufficient evidence shows that the provisions of this Protocol have been circumvented or infringed, the competent authorities of the CSFR and the Community may agree to take the measures set out in Article 11 (4) of the Protocol, and any other measures as are necessary to prevent a recurrence of such circumvention or infringement.

(1) Show net weight (kg) and also quantity in the unit prescribed for category where other than net weight - Indiquer le poids net en kilogrammes ainsi que la quantité dans l'unité prévue pour la catégorie si cette unité n'est pas le poids net.
 (2) In the currency of the sale contract - Dans la monnaie du contrat de vente.

1 Exporter (name, full address, country) Exportateur (nom, adresse complète, pays)	ORIGINAL		2 No
	3 Quota year Année contingentaire	4 Category number Numéro de catégorie	
5 Consignee (name, full address, country) Destinataire (nom, adresse complète, pays)	CERTIFICATE OF ORIGIN (Textile products)		
	CERTIFICAT D'ORIGINE (Produits textiles)		
8 Place and date of shipment - Means of transport Lieu et date d'embarquement - Moyen de transport	6 Country of origin Pays d'origine	7 Country of destination Pays de destination	
	9 Supplementary details Données supplémentaires		
10 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS Marques et numéros - Nombre et nature des colis - DÉSIGNATION DES MARCHANDISES		11 Quantity (1) Quantité (1)	12 FOB Value (2) Valeur fob (2)
13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITÉ COMPÉTENTE I, the undersigned, certify that the goods described above originated in the country shown in box No 6, in accordance with the provisions in force in the European Economic Community. Je soussigné certifie que les marchandises désignées ci-dessus sont originaires du pays figurant dans la case 6, conformément aux dispositions en vigueur dans la Communauté économique européenne.			
14 Competent authority (name, full address, country) Autorité compétente (nom, adresse complète, pays)		At - À	on - le
		(Signature)	(Stamp - Cachet)

(1) Show net weight (kg) and also quantity in the unit prescribed for category where other than net weight - Indiquer le poids net en kilogrammes ainsi que la quantité dans l'unité prévue pour la catégorie si cette unité n'est pas le poids net.
 (2) In the currency of the sale contract - Dans la monnaie du contrat de vente.

1 Exporter (name, full address, country) Exportateur (nom, adresse complète, pays)	ORIGINAL		2 No
	3 Quota year Année contingentaire	4 Category number Numéro de catégorie	
5 Consignee (name, full address, country) Destinataire (nom, adresse complète, pays)	EXPORT LICENCE (Textile products)		
	LICENCE D'EXPORTATION (Produits textiles)		
8 Place and date of shipment - Means of transport Lieu et date d'embarquement - Moyen de transport	6 Country of origin Pays d'origine	7 Country of destination Pays de destination	
	9 Supplementary details Données supplémentaires		
10 Marks and numbers - Number and kind of packages - DESCRIPTION OF GOODS Marques et numéros - Nombre et nature des colis - DÉSIGNATION DES MARCHANDISES		11 Quantity (1) Quantité (1)	12 FOB Value (2) Valeur fob (2)
		13 CERTIFICATION BY THE COMPETENT AUTHORITY - VISA DE L'AUTORITÉ COMPÉTENTE I, the undersigned, certify that the goods described above have been charged against the quantitative limit established for the year shown in box No 3 in respect of the category shown in box No 4 by the provisions regulating trade in textile products with the European Economic Community. Je soussigné certifie que les marchandises désignées ci-dessus ont été imputées sur la limite quantitative fixée pour l'année indiquée dans la case 3 pour la catégorie désignée dans la case 4 dans le cadre des dispositions régissant les échanges de produits textiles avec la Communauté économique européenne.	
14 Competent authority (name, full address, country) Autorité compétente (nom, adresse complète, pays)		At - À, on - le	(Signature) (Stamp - Cachet)

Appendix B

Reimports into the Community, within the meaning of Article 4 (2) of this Protocol, of products listed in the Annex to this Appendix shall be subject to the provisions of this Protocol, unless the special provisions below provide otherwise:

1. Subject to paragraph 2, only reimports into the Community of products affected by the specific quantitative limits laid down in the Annex to this Appendix shall be considered reimports within the meaning of Article 4 (2) of the Protocol.
2. Reimports not covered by the Annex to this Appendix may be made subject to specific quantitative limits following consultations in accordance with the procedures set out in Article 14 of the Protocol, provided the products concerned are subject to quantitative limits under Annex II to the Protocol or to surveillance measures.
3. Having regard to the interests of both Parties, the Community may at its discretion, or in response to a request from the CSFR under Article 14 of the Protocol, examine and give effect to:
 - (a) the possibility of transferring from one category to another, using in advance or carrying over from one year to the next, portions of specific quantitative limits;
 - (b) the possibility of increasing specific quantitative limits.
4. However, the Community may apply automatically the flexibility rules set out in paragraph 3 above within the following limits:
 - (a) transfers between categories may not exceed 25 % of the quantity for the quantity to which the transfer is made;
 - (b) carry-over of a specific quantitative limit from one year to the next may not exceed 13,5 % of the quantity set for the year of actual utilization;
 - (c) advance use of specific quantitative limits from one year to another may not exceed 7,5 % of the quantity set for the year of actual utilization.
5. The Community shall inform the CSFR of any measures taken pursuant to the preceding paragraphs.
6. The competent authorities in the Community shall debit the specific quantitative limits referred to in paragraph 1 at the time of issue of the prior authorization required by Council Regulation (EEC) No 636/82 which governs economic outward processing arrangements. A specific quantitative limit shall be debited for the year in which a prior authorization is issued.
7. Transfers from one category to another and combined debits from the quantitative limit for products of Groups II and III will be calculated in accordance with the table of equivalence in Annex I to the Agreement.
8. A certificate of origin made out by the organizations authorized to do so under CSFR law shall be issued, in accordance with Appendix A to the Protocol, for all products covered by this Appendix. This certificate shall bear a reference to the prior authorization mentioned in paragraph 6 above as evidence that the processing operation it describes has been carried out in Hungary.
9. The Community shall provide the CSFR with the names and addresses of, and specimens of the stamps used by, the competent authorities of the Community which issue the prior authorizations referred to in paragraph 6 above.
10. Without prejudice to the provisions of paragraphs 1 to 9 above, the CSFR and the Community shall continue consultations with a view to reaching a mutually acceptable solution enabling both Parties to benefit from the Protocol's provisions on outward processing traffic and so ensure the effective development of trade in textile products between the CSFR and the Community.

Annex to Appendix B

OPT QUANTITATIVE LIMITS FOR THE CSFR

(For practical reasons the product descriptions used in the Annex are given in abbreviated form)

Category	Description	Unit	Year	Community quantitative limits
4	T-Shirts	1 000 pieces	1993	6 000
			1994	6 360
			1995	6 742
			1996	7 146
			1997	7 575
5	Pullovers	1 000 pieces	1993	6 500
			1994	6 890
			1995	7 303
			1996	7 742
			1997	8 206
6	Woven trousers	1 000 pieces	1993	6 500
			1994	6 890
			1995	7 303
			1996	7 742
			1997	8 206
7	Blouses	1 000 pieces	1993	4 000
			1994	4 240
			1995	4 494
			1996	4 764
			1997	5 050
8	Shirts	1 000 pieces	1993	6 500
			1994	6 793
			1995	7 098
			1996	7 418
			1997	7 751
12	Socks	1 000 pairs	1993	13 000
			1994	13 975
			1995	15 023
			1996	16 150
			1997	17 361
15	Women's overcoats	1 000 pieces	1993	4 500
			1994	4 838
			1995	5 200
			1996	5 590
			1997	6 010
16	Suits	1 000 pieces	1993	1 800
			1994	1 935
			1995	2 080
			1996	2 236
			1997	2 404
17	Jackets	1 000 pieces	1993	2 000
			1994	2 180
			1995	2 376
			1996	2 590
			1997	2 823

Category	Description	Unit	Year	Community quantitative limits
24	Pyjamas	1 000 pieces	1993	2 500
			1994	2 688
			1995	2 889
			1996	3 106
			1997	3 339
26	Dresses	1 000 pieces	1993	2 700
			1994	2 902
			1995	3 120
			1996	3 354
			1997	3 606
76	Industrial clothing	tonnes	1993	7 000
			1994	7 630
			1995	8 317
			1996	9 065
			1997	9 881

Appendix C

referred to in Article 5 (3)

COTTAGE INDUSTRY AND FOLKLORE PRODUCTS ORIGINATING IN THE CSFR

1. The exemption provided for in Article 5 (3) in respect of cottage-industry products shall apply to the following types of product only:

- (a) fabrics woven on looms operated solely by hand or foot, being fabrics of a kind traditionally made in the cottage industry of the CSFR;
- (b) garments or other textile articles of a kind traditionally made in the cottage industry of the CSFR obtained manually from the fabrics referred to above and sewn exclusively by hand without the aid of any machine;
- (c) traditional folklore products of the CSFR made by hand, as in the attached list agreed between the Community and the CSFR.

Exemption shall be granted in respect only of products covered by a certificate conforming to the specimen attached to this Appendix and issued by the competent authorities in the CSFR. These certificates must indicate the reasons justifying their issue; the competent authorities of the

importing Party will accept them after having checked that the products concerned have fulfilled the conditions established in this Appendix. The certificates concerning the products envisaged in indent (c) above must bear a stamp 'FOLKLORE' marked clearly. In the case of a difference of opinion between the Parties concerning the nature of these products, consultations shall be held within one month in order to resolve these differences.

Should imports of any product covered by this Appendix reach proportions liable to cause problems within the Community, consultations with the CSFR shall be initiated as soon as possible, with a view to resolving the situation by the adoption if necessary of a quantitative limit, in accordance with the procedure laid down in Article 14 of this Protocol.

2. The provisions of Parts IV and V of Appendix A shall apply *mutatis mutandis* to the products covered by paragraph 1 of this Appendix.

1 Exporter (name, full address, country) Exportateur (nom, adresse complète, pays)	ORIGINAL		2 No
3 Consignee (name, full address, country) Destinataire (nom, adresse complète, pays)	<p style="text-align: center;">CERTIFICATE in regard to HANDLOOMS, TEXTILE HANDICRAFTS and TRADITIONAL TEXTILE PRODUCTS, OF THE COTTAGE INDUSTRY, issued in conformity with and under the conditions regulating trade in textile products with the European Economic Community</p> <hr/> <p style="text-align: center;">CERTIFICAT relatif aux TISSUS TISSÉS SUR MÉTIERS À MAIN, aux PRODUITS TEXTILES FAITS À LA MAIN, et aux PRODUITS TEXTILES RELEVANT DU FOLKLORE TRADITIONNEL, DE FABRICATION ARTISANALE, délivré en conformité avec et sous les conditions régissant les échanges de produits textiles avec la Communauté économique européenne</p>		
6 Place and date of shipment — Means of transport Lieu et date d'embarquement — Moyen de transport	4 Country of origin Pays d'origine	5 Country of destination Pays de destination	
8 Marks and numbers — Number and kind of packages — DESCRIPTION OF GOODS Marques et numéros — Nombre et nature des colis — DÉSIGNATION DES MARCHANDISES	7 Supplementary details Données supplémentaires		9 Quantity Quantité
11 CERTIFICATION BY THE COMPETENT AUTHORITY — VISA DE L'AUTORITÉ COMPÉTENTE <p>I, the undersigned, certify that the consignment described above includes only the following textile products of the cottage industry of the country shown in box No 4:</p> <p>a) garments obtained manually from fabrics and sewn solely by hand without the aid of any machine ⁽²⁾</p> <p>b) other textile articles obtained manually from the fabrics woven on hand or foot operated looms and sewn solely by hand without the aid of any machine (handicrafts) ⁽²⁾</p> <p>c) traditional folklore handicraft textile products made by hand as defined in the list agreed between the European Economic Community and the country shown in box No 4.</p> <p>Je soussigné certifie que l'envoi décrit ci-dessus contient exclusivement les produits textiles suivants relevant de la fabrication artisanale du pays figurant dans la case 4:</p> <p>a) vêtements obtenus manuellement à partir de tissus et cousus uniquement à la main sans l'aide d'une machine ⁽²⁾</p> <p>b) autres articles textiles obtenus manuellement à partir de tissus et cousus uniquement à la main sans l'aide d'une machine (handicrafts) ⁽²⁾</p> <p>c) produits textiles relevant du folklore traditionnel fabriqués à la main, comme définis dans la liste convenue entre la Communauté économique européenne et le pays indiqué dans la case n° 4.</p>			10 FOB value ⁽¹⁾ Valeur fob ⁽¹⁾
12 Competent authority (name, full address, country) Autorité compétente (nom, adresse complète, pays)	At — À , on — le <div style="display: flex; justify-content: space-between;"> (Signature) (Stamp — Cachet) </div>		

⁽¹⁾ In the currency of the sale contract — Dans la monnaie du contrat de vente.
⁽²⁾ Delete as appropriate — Effacer la (text) mention(s) inutile(s).



Agreed Minute No 1

In the context of the Protocol between the European Economic Community and the Czech and Slovak Federal Republic on trade in textile and clothing products, initialled on 17 December 1992, the Parties agreed that Articles 7 and 8 of the Protocol do not preclude the Community, if the conditions are fulfilled, from applying the surveillance system or the safeguard measures for one or more of its regions in conformity with the principles of the internal market.

In such an event, the Czech and Slovak Federal Republic shall be informed in advance of the relevant provisions of Appendix A to this Protocol shall be applied, as appropriate.

*For the Government
of the Czech and Slovak Federal Republic*

*For the Council
of the European Communities*

Agreed Minute No 2

Notwithstanding Article 12 (1) of this Protocol, for imperative technical or administrative reasons or to find a solution to economic problems from regional concentration of imports, or in order to combat circumvention and fraud of the provisions of this Protocol, the Community will establish for a limited period of time a specific management system in conformity with the principles of the internal market.

However, if the Parties are unable to reach a satisfactory solution during the consultations provided for in Article 12 (3), the CSFR undertakes, if so requested by the Community, to respect temporary export limits for one or more of regions of the Community. In such a case, these limits shall not preclude the importation into the region(s) concerned of products which were shipped from the CSFR on the basis of export licences obtained before the date of formal notification to the CSFR by the Community about the introduction of the above limits.

The Community shall inform the Czech and Slovak Federal Republic of the technical and administrative measures, such as defined in the attached *note verbale*, that need to be introduced by both Parties in order to implement the above paragraphs in conformity with the principles of the internal market.

*For the Government
of the Czech and Slovak Federal Republic*

*For the Council
of the European Communities*

Note verbale

The Directorate-General for External Relations of the Commission of the European Communities presents its compliments to the Mission of the Czech and Slovak Federal Republic to the European Communities and has the honour to refer to the Protocol on textile products negotiated between the Czech and Slovak Federal Republic and the Community initialled on 17 December 1992.

The Directorate-General wishes to inform the Mission of the Czech and Slovak Federal Republic that the Community has decided to apply, starting from 1 January 1993, the provisions of paragraph 1 of Agreed Minute No 2 to the Protocol initialled on 17 December 1992. Consequently, the corresponding provisions of Articles 7 and 12 of Appendix A to the Protocol shall also be applied as of the above date.

The Directorate-General for External Relations avails itself of this opportunity to renew to the Mission of the Czech and Slovak Federal Republic to the European Communities the assurance of its highest consideration.

Agreed Minute No 3

In the context of the Protocol between the European Economic Community and the Czech and Slovak Federal Republic on trade in textile and clothing products, initialled in Brussels on 17 December 1992, the Parties agreed that the Czech and Slovak Federal Republic shall endeavour not to deprive certain regions of the Community which have traditionally had relatively small shares of Community quotas of imports of products serving as inputs for their processing industry.

The Community and the Republic of the Czech and Slovak Federal Republic further agree to hold consultations, should the need arise, in order to avert any problems which might occur in this respect.

*For the Government
of the Czech and Slovak Federal Republic*

*For the Council
of the European Communities*

Agreed Minute No 4

In the context of the Protocol between the European Economic Community and the Czech and Slovak Federal Republic on trade in textile and clothing products, initialled in Brussels on 17 December 1992, the Czech and Slovak Federal Republic agreed that, from the date of the request for and pending the consultations referred to in Article 12 (3), it shall cooperate by not issuing export licences that would further aggravate the problems resulting from the regional concentration of direct imports into the Community.

*For the Government
of the Czech and Slovak Federal Republic*

*For the Council
of the European Communities*

Agreed Minute No 5

In the context of the Protocol between the European Economic Community and the Czech and Slovak Federal Republic on trade in textile and clothing products, initialled in Brussels on 17 December 1992, the Parties agreed that from the day that the Czech and Slovak Federal Republic ceases in law to exist, the rights and obligations thereunder shall be assumed by the two new Republics in whatever form they may exist.

In particular, the two Republics shall separately comply with the obligations concerning:

- the delivery of export licences, certificates of origin, folklore certificates and of any other document required under this Protocol,
- the application of the rules of origin referred to in Article 2 (3) of this Protocol,
- the transmission of statistical and any other information required under this Protocol.

The flexibility provisions of Article 6 of the Protocol shall only apply to the quantitative limits of each new Republic resulting from the dissolution of the Federal Republic.

Furthermore, there shall be no renegotiation of the total quantitative limits established under this Protocol between the Community and either or both of the two Republics. Consultations shall be held as soon as possible between the Parties to agree upon the breakdown of these quantitative limits between the separate Republics, including OPT quotas. Should this not be done before the dissolution of the CSFR then exports from the two Republics shall be charged against the quantitative level for the CSFR on a first-come first-served basis.

In the event of such a dissolution of the CSFR, the Parties agreed to enter immediately into consultations in order to examine possible administrative and management adjustments to take account of the new situation.

*For the Government
of the Czech and Slovak Federal Republic*

*For the Council
of the European Communities*

Agreed Minute No 6

In the context of the Protocol between the European Economic Community and the Czech and Slovak Federal Republic on trade in textile and clothing products, initialled in Brussels on 17 December 1992, the Parties agreed that all references in the Protocol to the period of application of the Protocol or to the period at the end of which all quantitative restrictions shall be abolished, are understood to mean a five-year period starting from 1 January 1993 unless the Uruguay Round multilateral negotiations are concluded and their results enter into force in 1992. In this case the periods referred to above shall be equal to half the period for the integration of textile and clothing products into the GATT as decided in those negotiations, but it shall in any case not be shorter than five years starting from 1 January 1993.

*For the Government
of the Republic of Hungary*

*For the Council
of the European Communities*

Exchange of Notes

The Directorate-General for External Relations of the Commission of the European Communities presents its compliments to the Mission of the Czech and Slovak Federal Republic to the European Communities and has the honour to refer to the Protocol on textile products between the Czech and Slovak Federal Republic and the Community initialled on 17 December 1992.

The Directorate-General wishes to inform the Mission of the Czech and Slovak Federal Republic that whilst awaiting the completion of the necessary procedures for the conclusion and the coming into force of the Protocol, the Community is prepared to allow the provisions of the Protocol to apply *de facto* from 1 January 1993. This is on the understanding that either party may at any time terminate this *de facto* application of the Protocol provided that 120 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 Czech and Slovak Federal Republic to the European Communities the assurance of its highest consideration.

Exchange of Notes

The Mission of the Czech and Slovak Federal Republic 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 Director General's Note of . . . regarding the Protocol on textile products between the Czech and Slovak Federal Republic and the Community initialled on 17 December 1992.

The Mission of the Czech and Slovak Federal Republic 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 Protocol, the Government of the Czech and Slovak Federal Republic is prepared to allow the provisions of the Protocol to apply *de facto* from 1 January 1993. This is on the understanding that either party may at any time terminate this *de facto* application of the Protocol provided that 120 days' notice is given.

The Mission of the Czech and Slovak Federal Republic to the European Communities avails itself of this opportunity to renew to the Directorate-General for External Relations the assurance of its highest consideration.
