

AGREED MINUTE**amending the Agreement between the European Economic Community and the Czech and Slovak Federal Republic on trade in textile products**

1. The delegations of the European Economic Community and the Czech and Slovak Federal Republic met in Brussels on 28 and 30 November 1990. Consultations were held pursuant to Article 14 of the Agreement between the European Economic Community and Czechoslovakia on trade in textile products, initialled on 19 June 1986 and applied provisionally since 1 January 1987.
2. The purpose of the consultations was to amend the bilateral Agreement on trade in textile products with a view to integrating provisions relating to reimports of textile products after processing, manufacturing or working Czechoslovakia.
3. Both Parties have agreed to amend Article 3 (4) of the Agreement and insert a Protocol E establishing a special arrangement governing reimports into the Community of textile products after processing, manufacturing or working in Czechoslovakia in accordance with the relevant Community legislation. The texts of Article 3 (4) and Protocol E are annexed to this Agreed Minute.
4. Both Parties have agreed to apply the provisions of Protocol E in a way which aims at not preventing new possibilities for increased trade and industrial cooperation in the area of outward processing traffic.
5. Both Parties have agreed that the amendment to the Agreement by this Agreed Minute shall be applied provisionally from 1 January 1991.

Brussels, 30 November 1990.

*Delegation of the
Czech and Slovak Federal Republic*

*Delegation of the
European Economic Community*

EEC-Czechoslovakia Agreement**Article 3 (4) as amended**

'The Community and Czechoslovakia recognize the special and distinct nature of reimports into the Community of textile products after processing, manufacturing or working in Czechoslovakia.

Reimports shall not be subject to the quantitative limits established in Annex II, provided they are effected in accordance with the regulations on economic outward processing traffic in force in the Community and are eligible for the special arrangement described in Protocol E.'

PROTOCOL E

Reimports into the Community, within the meaning of Article 3 (4) of this Agreement, of products listed in the Annex to this Protocol shall be subject to the provisions of the Agreement, 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 down in the Annex to this Protocol shall be considered reimports within the meaning of Article 3 (4).

2. Reimports not covered by the Annex to this Protocol may be made subject to specific quantitative limits following consultations in accordance with the procedures set out in Article 14 of the Agreement, provided the products concerned are subject to quantitative limits under Annex II to the Agreement.

3. Having regard to the interests of both Contracting Parties, the Community may at its discretion, or in response to a request from Czechoslovakia pursuant to Article 14 of the Agreement, examine:

(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 scope for allocating portions of the specific quantitative limit unused in one region of the Community to another such region.

4. However, the Community may apply automatically the flexibility rules set out in paragraph 3 within the following limits:

(a) transfers between categories may not exceed 25 % of the quantity for the category to which the transfer is made ⁽¹⁾;

(b) carryover of a specific quantitative limit from one year to the next may not exceed 10,5 % 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;

(d) transfers from one region to another may not exceed 24 % of the quantity set for the region to which the transfer is made.

5. The Community shall inform Czechoslovakia 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 Czech law shall be issued, in accordance with Protocol A to the Agreement, for all products covered by this Protocol. This certificate shall bear a reference to the prior authorization mentioned in paragraph 6 as evidence that the processing operation it describes has been carried out in Czechoslovakia.

9. The Community shall provide Czechoslovakia 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.

10. Without prejudice to the provisions of paragraphs 1 to 9, Czechoslovakia and the Community shall continue consultations with a view to reaching a mutually acceptable solution enabling both Contracting Parties to benefit from the Agreement's provisions on outward processing traffic and so ensure the effective development of trade in textile products between Czechoslovakia and the Community.

⁽¹⁾ However, for categories in group II or III, transfers between quota shares under the German, French, Italian and Benelux quotas shall be allowed up to 100 % of the category from which the transfer is made.

ANNEX

OPT quantitative limits for Czechoslovakia

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

Category	Description	Units	Year	EEC quantitative limits
4	T-shirts	1 000 pieces	1991	700
5	Pullovers	1 000 pieces	1991	800
6	Woven trousers	1 000 pieces	1991	2 300
7	Blouses	1 000 pieces	1991	900
8	Shirts	1 000 pieces	1991	1 100
12	Socks	1 000 pairs	1991	1 200
13	Underpants	1 000 pieces	1991	1 500
14	Men's overcoats	1 000 pieces	1991	1 300
15	Women's overcoats	1 000 pieces	1991	1 350
16	Suits	1 000 pieces	1991	750
18	Bathrobes	Tonnes	1991	310
21	Parkas	1 000 pieces	1991	500
24	Pyjamas	1 000 pieces	1991	450
26	Dresses	1 000 pieces	1991	680
31	Brassières, woven	1 000 pieces	1991	1 000
73	Track suits	1 000 pieces	1991	300
76	Industrial clothing	Tonnes	1991	2 800
69	Slips and petticoats	1 000 pieces	1991	200
17	Jackets	1 000 pieces	1991	600