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Textiles Monitoring Body

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AGREEMENT ON TEXTILES AND CLOTHING

Notification under Articles 2.6 and 2.7(b)

Notification under Articles 2.8(a) and 2.11

HUNGARY

Corrigendum

The Textiles Monitoring Body has received a further notification from Hungary containing corrections to the notifications made pursuant to paragraphs 6 and 7(b) as well as paragraphs 8(a) and 11 of Article 2.

The TMB, pursuant to paragraph 7(b) of Article 2 and in accordance with paragraph 11 of Article 2, is circulating this notification to WTO Members.

Permanent Mission of the Republic of Hungary
to the WTO

Geneva, 1 December 1997

Mr. András Szepesi
Chairman
Textiles Monitoring Body
World Trade Organization
Centre William Rappard
Rue de Lausanne 154
1211 Genève 21

Dear Mr. Szepesi,

With reference to the request of the TMB for further clarification on Hungary's notification under Articles 2.6 and 2.7(b), as well as under Articles 2.8(a) and 2.11, I would like to communicate the following.

As it has been already explained in my letter dated 16 June 1997 (G/TMB/N/84/Add.2), in certain cases the relevant import statistics were not detailed enough to allow making a clear distinction between the ATC covered and not covered products.

Therefore the Hungarian authorities decided to propose minor corrections to both the first and second stage of integration programmes covered by the ATC.

Stage I

1. Products in question in the Annex of the ATC are **ex 64.06.10** and **ex 64.06.99**. The related products in the Hungarian programme of first stage integration (G/TMB/N/84) are the following:
2. Imports under **64.06.10 - 012** and **64.06.99 - 026** (... of ferrous metals) should not have been included in the integration programme as well as in the calculation of total imports in 1992 of ATC products.
3. Based on information received from the relevant customs authorities, imports under **64.06.10 - 997** (uppers and parts thereof, other than ferrous metals) consist of textiles, therefore imports under this HS line qualified for integration.
4. On the basis of the detailed descriptions contained in the Hungarian tariff nomenclature, it can be established that imports under **64.06.99 - 017** (parts of footwear, other than parts of 64.06.99 - 026 subheading) clearly refer to textiles, so it will remain in the integration programme.
5. As far as **64.06.99 - 992** is concerned, although, it was not possible to establish the required statistical breakdown, according to customs information under this item mainly gaiters and legwarmers were imported in 1992. Consequently, we thought it would be fair to reduce by 50 per cent of the quantity integrated in this HS line in programme Stage I.

The corrected total volume of imports in 1992 reflecting the observations and proposals above is 136,352 tons [136,729-(7+ 26+ 344)], while the total volume of integrated products is 21,511 tons (21,888-377), which amounts to 15.77 per cent of the total imports of products in the Annex of the ATC.

In order to meet the requirements of Articles 2.6(a) and 2.7(b), the following additional HS lines are to be integrated under Stage I.

<u>HS Line</u>	<u>Description</u>	<u>Tons</u>
51.11.11 - 008	Woven fabrics of carded wool/fine animal hair, > /= 85% by weight, < /= 300 g/m ²	306
51.11.20 - 006	Woven fabric of carded wool/fine animal hair, < 85% by weight, mixed with m-m filament	102

As a result, Hungary integrated **21,919** tons of products (**16.075 per cent**) for the purpose of Stage I.

Stage II

The related products in the Annex of the ATC are **ex 39.21.12, ex 39.21.13, ex 39.21.90** and **ex 96.12.10**. The products in the Hungarian second stage of integration programme are **39.21.12 - 019, - 994, 39.21.13 - 003, 39.21.90 - 011, - 020, - 039, - 048, - 996** and **96.12.10 - 003**.

The product descriptions contained in the Hungarian notification regarding ex 39.21.12, ex 39.21.13, ex 39.21.90 and ex 96.12.10 are misleading in the sense that they also include the respective products defined in the Annex of the ATC.

On the basis of the statistics available at that time, no distinction can be made between products covered and not covered by the ATC. Therefore Hungary is ready to withdraw these items from the second stage of integration and reintroduce them only at the very last stage.

Consequently, the total volume of integrated products in the second stage of integration would be **20,015.4 tons** (instead of 23,565.4 tons) which is **14.68 per cent** of the total imports of products covered by the Annex of ATC.

In order to meet the requirement of Article 2.8(a) the following additional HS line is to be integrated in the second stage:

<u>HS Line</u>	<u>Description</u>	<u>Tons</u>
55.03.20-009	Staple fibres of polyesters, not carded or combed	4,045.8

As a result, Hungary will integrate **24,061.2 tons** which amounts to **17.65 per cent** of its total ATC imports under the second stage of its integration programme.

I hope that the above proposals of Hungary will meet the concern of the distinguished Members of the TMB.

Please, accept, Mr. Chairman, the assurances of my highest consideration.

(Signed) István Major