

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/129
27 October 1975

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Article 4 Notification

Agreement between the United States and Romania

The TSB has received from the Government of the UNITED STATES a notification of an agreement between the United States and Romania concerning trade in textiles. This agreement has been notified by the United States under Article 4, paragraph 4, of the Arrangement.

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4¹, has examined the relevant documentation. The TSB is circulating the text of this agreement to participating countries in the Arrangement for their information.

¹See COM.TEX/SB/35/Annex B.

UNITED STATES NOTE

Excellency:

June 2, 1975

I refer to the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973, hereinafter referred to as the Arrangement. I also refer to the recent discussions between Representatives of our two Governments concerning exports of cotton textiles from Romania to the United States. As a result of those discussions, and in conformity with Articles 4 and 6 of the Arrangement, I wish to propose the following agreement relating to trade in cotton textiles between Romania and the United States to replace and supersede, effective January 1, 1975, the existing Cotton Textile Agreement of December 31, 1970, relating to this trade.

1. The term of this Agreement shall be from January 1, 1975 through December 31, 1977. During such term, the Government of the Socialist Republic of Romania shall limit annual exports from Romania to the United States of America to the annual levels specified in the following paragraphs.

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2. The aggregate limit for the three agreement years shall be as follows:

	<u>Limit</u> <u>Square Yards Equivalent</u>
1st Agreement Year (January 1 - December 31, 1975)	18,000,000
2nd Agreement Year (January 1 - December 31, 1976)	19,260,000
3rd Agreement Year (January 1 - December 31, 1977)	20,608,000

3.(a) Within the aggregate limit, exports in individual categories shall be subject to category consultation levels. For categories not listed in (b) of this paragraph, the annual consultation levels shall be 1,000,000 square yards equivalent for each non-apparel category and 700,000 square yards equivalent for each apparel category.

(b) The following categories shall have designated annual consultation levels as indicated:

	<u>Designated Annual</u> <u>Consultation Level</u>
26(part) Other cotton fabrics, carded, except Duck	3,000,000
41 All white T-shirts	3,000,000
42 Other T-shirts	3,000,000
43 Other Knit shirts	3,000,000
47 Work shirts, not knit	1,500,000
48 Raincoats, 3/4 length or longer	3,000,000
49 Other coats	3,000,000
50 Trousers, slacks and shorts, Men's and boys'	3,000,000

(c) In the event the Government of the Socialist Republic of Romania wishes to export to the United States of America textile products in excess of the applicable consultation levels, the Government of the Socialist Republic of Romania shall request the higher levels and the Government of the United States of America shall consider the request sympathetically and shall respond promptly. If, because of problems of market disruption in the United States of America in a category subject to such request, the United States of America is unable to comply fully, the United States of America will so inform the Government of the Socialist Republic of Romania and will supply information which forms the basis of the position taken by the United States of America. The Government of the United States of America will consult promptly with the Government of the Socialist Republic of Romania to arrive at a mutually satisfactory solution. Until a mutually satisfactory solution is reached, shipments shall not exceed the existing consultation level.

4.(a) In any agreement year, exports may exceed by a maximum of 11 percent the aggregate limit by allocating to the limit for that year an unused portion of the aggregate limit for the previous agreement year (carryover) or a portion of the aggregate limit for the succeeding agreement year (carry forward).

(i) Carryover may be utilized as available up to 11 percent of the receiving year's aggregate limit, but for the first agreement year only shall be limited to 5 percent.

(ii) Carry forward may be utilized up to 6 percent of the receiving year's aggregate limit and charged against the next year's aggregate limit.

(iii) The combination of carryover and carry forward may not exceed 11 percent of the receiving year's aggregate limit in any agreement year.

(b) For purposes of this agreement a shortfall occurs when exports from the Socialist Republic of Romania to the United States of America during an agreement year are below the aggregate limit in this agreement or the limit in force for the year ending December 31, 1974, provided for in the Cotton Textile Agreement of December 31, 1970. The carryover shall not exceed the amount of such shortfalls.

(c) Carryover and carry forward shall not be used to exceed any category consultation level except in accordance with the consultation procedures of paragraph 3(c), hereof.

(d) The limits referred to in subparagraphs (a) and (b) of this paragraph are without any adjustments hereunder.

5. In accordance with Article 12, paragraph 3, of the Arrangement and subject to the establishment of a mutually agreed upon certification system exports from the Socialist Republic of Romania to the United States of America of handloom fabrics of the cottage industry of Romania, or handmade cottage industry products of such handloom fabrics, or traditional folklore textile products shall not be subject to the provisions of this Agreement.

6. The Government of the Socialist Republic of Romania shall use its best efforts to space exports from Romania to the United States within each category evenly throughout the agreement year, taking into consideration normal seasonal factors.

7. The Government of the United States of America shall promptly supply the Government of the Socialist Republic of Romania with data on monthly imports of cotton textiles from Romania; and the Government of the Socialist Republic of Romania shall promptly supply the Government of the United States of America with quarterly data on exports of cotton textiles to the United States. Each Government agrees to supply promptly any other pertinent and readily available statistical data requested by the other Government.

8. In implementing this agreement, the system of categories and the rates of conversion into square yards equivalent listed in the annex hereto shall apply. In any situation where the determination of an article to be a cotton textile would be affected by whether the chief

weight or chief value criterion provided for in Article 12 of the Arrangement is used, the chief value criterion used by the Government of the United States of America shall apply.

9. The Government of the Socialist Republic of Romania and the Government of the United States of America agree to consult on any question arising in the implementation of this agreement.

10. Mutually satisfactory administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of this agreement, including differences in points of procedure or operation.

11. If the Government of the Socialist Republic of Romania considers that, as a result of limitations specified in this agreement, Romania is being placed in an inequitable position vis-a-vis a third country, the Government of the Socialist Republic of Romania may request consultation with the Government of the United States of America with a view to taking appropriate remedial action such as reasonable modification of this agreement.

12. For the duration of this agreement, the Government of the United States of America shall not invoke the procedures of Article 3 of the Arrangement to request restraint on the export of cotton textiles from Romania to the United States.

13. The Government of the United States of America may assist the Government of the Socialist Republic of Romania in implementing the limitation provisions of this agreement by controlling imports of cotton textiles covered by the agreement.

14. Either Government may terminate this agreement effective at the end of any agreement year by written notice to the other Government to be given at least 90 days prior to the end of such agreement year. Either Government may at any time propose revisions in the terms of this agreement.

If the foregoing proposal is acceptable to the Government of the Socialist Republic of Romania, this note and your note of confirmation on behalf of the Government of the Socialist Republic of Romania shall constitute an agreement between the Government of the Socialist Republic of Romania and the Government of the United States of America.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

/S/ Julius L. Katz

His Excellency

Corneliu Bogdan,

Ambassador of The Socialist Republic of Romania.

ROMANIA NOTE

June 2, 1975

Dear Mr. Secretary:

I have the honor to acknowledge the receipt of your letter of June 2, 1975, referring to the Arrangement on trade in cotton textiles between the Socialist Republic of Romania and the United States of America, as it is presented in this letter, resulted from the discussions held in Bucharest between May 5-7 between the representatives of our two governments and based on Articles 4 and 6 of the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973.

I have the honor to confirm on behalf of the Government of the Socialist Republic of Romania that the above mentioned letter and this reply constitute an agreement between our two governments relating to trade in cotton textiles between the Socialist Republic of Romania and the United States of America.

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

Sincerely yours,

Corneliu Bogdan
Ambassador

THE HONORABLE
HENRY KISSINGER
SECRETARY OF STATE

ANNEX

<u>Category</u>	<u>Description</u>	<u>Unit</u>	<u>Conversion Factor</u>
1	Cotton yarn, singles, carded not ornamented, etc.	Lb.	4.6
2	Cotton yarn, plied, carded not ornamented, etc.	Lb.	4.6
3	Cotton yarn, singles, combed not ornamented, etc.	Lb.	4.6
4	Cotton yarn, plied, combed not ornamented, etc.	Lb.	4.6
5	Ginghams, carded yarn	Syd.	1.0
6	Ginghams, combed yarn	Syd.	1.0
7	Velveteens	Syd.	1.0
8	Carduroy	Syd.	1.0
9	Sheeting, carded yarn	Syd.	1.0
10	Sheeting, combed yarn	Syd.	1.0
11	Lawns, carded yarn	Syd.	1.0
12	Lawns, combed yarn	Syd.	1.0
13	Voiles, carded yarn	Syd.	1.0
14	Voiles, combed yarn	Syd.	1.0
15	Poplin and broadcloth, carded yarn	Syd.	1.0
16	Poplin and broadcloth, combed yarn	Syd.	1.0
17	Typewriter ribbon cloth	Syd.	1.0
18	Print cloth, Shirting type, 80x80 type, carded yarn	Syd.	1.0
19	Print cloth, Shirting type, other than 80x80 type, carded yarn	Syd.	1.0

20	Shirting, carded yarn	Syd.	1.0
21	Shirting, combed yarn	Syd.	1.0
22	Twill and sateen, carded yarn	Syd.	1.0
23	Twill and sateen, combed yarn	Syd.	1.0
24	Yarn-dyed fabrics, n.e.s., carded yarn	Syd.	1.0
25	Yarn-dyed fabrics, n.e.s., combed yarn	Syd.	1.0
26	Fabrics, n.e.s., carded yarn	Syd.	1.0
27	Fabrics, n.e.s., combed yarn	Syd.	1.0
28	Pillowcases, plain, carded yarn	No.	1.084
29	Pillowcases, plain, combed yarn	No.	1.084
30	Dish towels	No.	.348
31	Towels, other than dish towels	No.	.348
32	Handkerchiefs	Doz.	1.66
33	Table damasks and manufactures	Lb.	3.17
34	Sheets, carded yarn	No.	6.2
35	Sheets, combed yarn	No.	6.2
36	Bedspreads, including quilts	No.	6.9
37	Braided and woven elastics	Lb.	4.6
38	Fishing nets	Lb.	4.6
39	Gloves and mittens	Doz.Pr.	3.527
40	Hose and half hose	Doz.Pr.	4.6
41	Men's and boys' all white T-shirts, knits or crocheted	Doz.	7.234
42	Other T-shirts	Doz.	7.234

43	Knitshirts, other than T-shirts and sweatshirts (including infants)	Doz.	7.234
44	Sweaters and cardigans	Doz.	36.8
45	Men's and boys' shirts, dress, not knit or crocheted	Doz.	22.186
46	Men's and boys' shirts, sport, not knit or crocheted	Doz.	24.457
47	Men's and boys' shirts, work, not knit or crocheted	Doz.	22.186
48	Raincoats, 3/4 length or over	Doz.	50.0
49	All other coats	Doz.	32.5
50	Men's and boys' trousers, slacks and shorts, outer, whether or not in sets, not knit or crocheted	Doz.	17.797
51	Women's, misses' and children's trousers, slacks and shorts, outer, whether or not in sets, not knit or crocheted	Doz.	17.797
52	Blouses, whether or not in sets	Doz.	14.53
53	Women's, misses', children's and infants' dresses (including nurses, and other uniform dresses), not knit or crocheted	Doz.	45.3
54	Playsuits, sunsuits, wash- suits, creepers, rompers, etc. (except blouses and shorts; blouses and trousers; or blouses, shorts and skirt sets)	Doz.	25.0
55	Dressing gowns, including bath- robes and beach robes, lounging gowns, dusters and housecoats, not knit or crocheted	Doz.	51.0
56	Men's and boys' undershirts (not T-shirts)	Doz.	9.2

57	Men's and boys' briefs and undershorts	Doz.	11.25
58	Drawers, shorts and briefs (except men's and boys' briefs), knit or crocheted	Doz.	5.0
59	All other underwear, not knit or crocheted	Doz.	16.0
60	Nightwear and pajamas	Doz.	51.96
61	Brasieres and other body supporting garments	Doz.	4.75
62	Other knitted or crocheted clothing	Lb.	4.6
63	Other clothing, not knit, or crocheted	Lb.	4.6
64	All other cotton textile items	Lb.	4.6
