

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/159
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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Report on Status of Restrictive Measures
under Article 2, paragraph 4

Bilateral Agreements between the United States
and Hungary and Yugoslavia

The TSB has received from the Government of the United States, under Article 2, paragraph 4, a report on the termination of bilateral agreements on cotton textiles between the United States and Hungary and Yugoslavia.

The TSB is circulating this notification to participating countries for their information.

31 March 1976

The Honorable
Ambassador Paul Wurth
Chairman,
Textiles Surveillance Body,
Villa Le Bocage,
Palais des Nations,
1211 Geneva 10.

Dear Mr. Chairman,

Pursuant to the report made by my Government on progress achieved vis-à-vis its obligations under Article 2 of the Arrangement (reported pages 21-22, COM.TEX/SB/115, 28 November 1975) and with reference to my letter of 16 February 1976, on this subject, I am forwarding herewith for the information of the Textiles Surveillance Body copies of Notes exchanged between the Government of the United States of America and the Governments of Hungary and the Socialist Federal Republic of Yugoslavia terminating bilateral cotton textile agreements between the Government of the United States of America and the other two Governments; said agreements having been previously notified to the Textiles Surveillance Body (see COM.TEX/SB/3).

As will be noted from the texts of the attached Notes, each constitutes:
(a) a formal termination of a bilateral agreement and, (b) an agreement to consult promptly under the provisions of the Arrangement should developments in the trade so warrant.

Sincerely,

(signed)
Harry M. Phelan, Jr.
Minister Counselor

Attachments

Note No. 1

UNITED STATES NOTE

Budapest, 12 February 1976

Excellency,

I have the honor to refer to Article 2 and Article 6 (paragraph 3) of the Arrangement Regarding International Trade in Textiles (hereinafter called the Arrangement) and to the Agreement Concerning Trade in Cotton Textiles between our two countries signed on 13 August 1970 at Washington, as amended.

As a result of the United States review of its bilateral agreements under Article 2 of the Arrangement and a mutual review of the textile trade between the Hungarian People's Republic and the United States of America by representatives of the two Governments in Washington, 7-8 July 1975, I propose that the Agreement concerning trade in cotton textiles referred to above not be renewed.

Should exports of cotton, wool, and man-made fibre textiles and apparel products from Hungary to the United States develop in such a manner so as to cause or threaten to cause in the United States problems of market disruption as defined in the Arrangement, the Government of the United States of America reserves the right to request consultations with the Government of the Hungarian People's Republic. I further propose that the Government of the Hungarian People's Republic agree to respond within thirty days to such a request for consultations and to consult within sixty days thereafter (unless otherwise mutually agreed) to arrive at an early solution on mutually satisfactory terms in accordance with the provisions of the Arrangement.

If the foregoing proposal is acceptable to your Government, this note and your Excellency's note of acceptance on behalf of the Government of the Hungarian People's Republic shall constitute an agreement between our two Governments, effective on the date of your note of acceptance.

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

(signed)
Eugene McAuliffe
Ambassador to Hungary

His Excellency
Frigyes Puja,
Minister for Foreign Affairs,
Budapest.

Note No. 2

HUNGARIAN NOTE

Budapest, 18 February 1976

Excellency,

I have the honor to acknowledge receipt of your note of 12 February 1976, No. 46 referring to the termination of the Agreement Concerning Trade in Cotton Textiles between our two countries, signed on 13 August 1970, and to the discussions held in Washington between 7-8 July 1975, between the representatives of our two Governments concerning the application of Article 2 and Article 6, (paragraph 3) of the Arrangement Regarding International Trade in Textiles done at Geneva on 20 December 1973.

I have the honor to confirm on behalf of the Government of the Hungarian People's Republic that the above mentioned note and this reply constitute an agreement between our two Governments relating to trade in textiles between the Hungarian People's Republic and the United States of America.

Please, accept Excellency the assurances of my highest consideration.

(signed)
Frigyes Puja

His Excellency
Eugene McAuliffe,
Ambassador of the United States
of America,
Budapest.

Note No. 1

UNITED STATES NOTE

14 February 1976

Excellency,

I refer to the Agreement Concerning Trade in Cotton, Wool and Man-Made Fibre Textiles between our two countries signed on 31 December 1970, at Belgrade.

As a result of the United States' review of its bilateral agreements under Article 2 of the Arrangement Regarding International Trade in Textiles (hereinafter referred to as the Arrangement), and also the mutual review with representatives of the Government of Yugoslavia of the trade in textiles between Yugoslavia and the United States I wish to propose that the bilateral cotton textile agreement referred to above be terminated.

Should exports of cotton, wool and man-made fibre textiles and apparel products from Yugoslavia to the United States develop in such a manner so as to cause or threaten to cause in the United States problems of market disruption as defined in the Arrangement, the Government of the United States may request consultations with the Government of the Socialist Federal Republic of Yugoslavia. I further propose that the Government of the Socialist Federal Republic of Yugoslavia agree to respond within thirty days of the date of such a request for consultations and to consult within sixty days thereafter (unless otherwise mutually agreed) to arrive at an early solution on mutually satisfactory terms.

If the foregoing proposal is acceptable to your Government, this note and Your Excellency's note of acceptance on behalf of the Government of Yugoslavia shall constitute an agreement between our two Governments, effective on the date of your note of acceptance.

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

(signed)
Laurence H. Silberman

His Excellency Milos Minic
Vice President of the Federal Executive
Council and Federal Secretary for
Foreign Affairs,
Belgrade, Yugoslavia.

Note No. 2

YUGOSLAVIA NOTE

14 February 1976

Excellency,

I have the honor to acknowledge receipt of Your Excellency's Note No. 48 of 14 January 1976, proposing the termination of the bilateral Agreement on Trade in Cotton, Wool and Man-Made Fibre Textiles between our two countries signed on 31 December 1970, at Belgrade, which reads, as follows:

(See Note No. 1)

I have the honor to inform you that the foregoing text is in accordance with the position of my Government and that Your Excellency's note and this note in reply to it constitute the agreement between the two Governments.

Accept, Excellency, the assurances of my high consideration.

For the Federal Secretary for
Foreign Affairs

Nikola Miliévié
Assistant Federal Secretary for
Foreign Affairs

His Excellency
Mr. Laurence H. Silberman,
Ambassador of the United States of America.