

RESTRICTED

COM.TEX/SB/356

2 October 1978

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# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Textiles Surveillance Body

Original: English

## ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

### Notification under Article 4:4

#### Amendment to the Bilateral Agreement Between the United States and India

The Textiles Surveillance Body has received a notification from the United States concerning an amendment to the agreement covering certain textile products concluded between the United States and India under Article 4 of the Arrangement.<sup>1/</sup>

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4<sup>2/</sup>, has examined the relevant documentation and is circulating the text of the notification to participating countries for their information.

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<sup>1/</sup>For original agreement see COM.TEX/SB/315.

<sup>2/</sup>See COM.TEX/SB/35, Annex B.

July 31, 1978  
No. 305

UNITED STATES AND INDIA  
AMEND TEXTILE AGREEMENT

The United States and India have amended their bilateral textile agreement by means of the following exchanges:

INDIAN LETTER

June 19, 1978

Mr, John St. John  
Chief  
Fibers & Textiles Division  
U.S. Department of State  
Washington, D.C.

Dear Mr. St. John,

I am writing with reference to the bilateral textile agreement effected by exchange of notes of December 30, 1977 (the Textile Agreement), and to the administrative arrangement set out in the letter of February 18, 1976, from Mrs. Susan Fouts of the Department of State to me (the Administrative Arrangement).

Under the Textile Agreement, imports of hand tufted or knotted wool rugs of pile or tuft construction are presently charged against the consultation level for Category 465. I propose that such products, being traditional handicraft products, be hereby added to the list of India Items and not be subject to the limits set out in the Textile Agreement.

The Government of India shall certify exports of such floor coverings in accordance with paragraph 2 of the Administrative Arrangement.

If you agree with the above arrangement, this letter and your reply confirming its contents shall constitute an amendment to the bilateral Textile Agreement between India and USA effected by exchange of letters in December 1977.

Yours sincerely,

/S/ (J. N. Dixit)

UNITED STATES LETTER

June 19, 1978

J. N. Dixit, Esq.  
Minister, Commerce and Supply  
Embassy of India  
2536 Massachusetts Ave. N.W.  
Washington, D.C. 20008

Dear Mr. Dixit:

Thank you for your letter of June 19, 1978, concerning the treatment of hand knotted or hand tufted wool rugs as India Items. On behalf of the Government of the United States of America, I confirm that the Arrangement set out in paragraphs 2 and 3 of your letter is acceptable and, hence, your letter and this letter shall constitute an amendment of the Administrative Arrangement.

Sincerely,

/S/ John J. St. John  
Chief  
Textiles Division

INDIAN LETTER

No.COM./105/2/78

July 19, 1978

Mr. John J. St. John  
Chief  
Textiles Division  
U.S. Department of State  
Room 3333  
2201, "C" ST. N.W.  
Washington, D.C. 20520

Dear Mr. St. John,

I am writing with reference to the bilateral textile agreement effected by exchange of notes of December 30, 1977 (the Textile Agreement), and to the administrative arrangement set out in the letter of February 18, 1976, from Mrs. Susan Fouts of the Department of State to Minister J. N. Dixit (the Administrative Arrangement), and to the June 19, 1978 exchange of letters regarding rugs between Minister J. N. Dixit and Mr. John J. St. John.

In addition to the handtufted or hand knotted wool rugs of pile or tuft construction recently added to the Textile Agreement's list of India Items, and the "Gabba" and "Ghandni/Gaddiposh" items contained in the list as it appears in Annexure C of the Textile Agreement, there are other hand crafted Indian rugs which being traditional handicraft products, should also be added to the list of India Items and not be subject to the limits set out in the agreement. Such rugs include:

1) Rugs with pile hand-inserted or hand-knotted during weaving having pile containing over 50 percent by weight of hair. (TSUSA 360.0500)

2) Woven cotton, wool or man-made fiber rugs, not made on a powerdriven loom. (TSUSA 361.4200, 4400, 5422, 5425)

3) The Government of India shall certify exports of such rugs in accordance with paragraph 2 of the Administrative Arrangement.

If the foregoing is acceptable to the Government of the United States of America, this letter and your reply confirming its contents will constitute an amendment to the Textile Agreement.

Yours sincerely,

/S/ (J. S. Baijal)

UNITED STATES LETTER

July 25, 1978

Mr. J. S. Baijal  
Minister (Economic)  
Embassy of India  
2107 Massachusetts Ave. N.W.  
Washington, D.C. 20008

Dear Mr. Baijal:

I refer to your letter of July 19, 1978 to Mr. John J. St. John proposing that certain Indian rugs which are traditional handicraft products not be subject to the limits set out in our December 30, 1977 bilateral textile agreement.

My Government agrees to your proposal as set out in paragraph 2 of your letter and, therefore, your letter and this letter shall constitute an agreement amending our textile agreement.

Sincerely,

/S/ William Barraclough  
Deputy Assistant Secretary for  
International Trade Policy

INDIAN NOTE

May 9, 1978

No.Com./105/2/78

His Excellency  
Hon'ble Mr. Cyrus R. Vance  
Secretary of State  
Washington, D.C.

Excellency:

I have the honour to refer to the agreement between India and the United States of America effected through an exchange of letters between our two Governments on December 30, 1977 regarding trade in cotton, wool, and man-made fiber textiles and textile products, with Annexures (hereinafter referred to as the Agreement).

Exports of other apparel covered under category 359 of the Agreement are likely to exceed the consultation level of 700,000 SYE specified for this category under paragraph 6 of the Agreement. Accordingly, I have the honour to propose on behalf of the Government of India that the consultation level in respect of this category be raised to 1.5 million SYE for the first Agreement year.

If the foregoing proposal is acceptable to the Government of the United States of America, this note and Your Excellency's note of confirmation on behalf of the two Governments shall constitute an agreement amending the Agreement.

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

For the Ambassador of India  
to the United States of America

/S/ (J. N. Dixit)  
Minister of the Embassy

UNITED STATES NOTE

July 18, 1978

His Excellency  
N. A. Palkhivala  
Ambassador of India

Excellency:

I have the honor to refer to the agreement between the United States and India done at Washington by exchange of notes on December 30, 1977, regarding trade in cotton, wool and man-made fiber textiles and textile products; with Annexes, as amended (hereinafter referred to as the Agreement) and to Your Excellency's note of May 9, 1978 to the Department of State, proposing on behalf of the Government of India that the consultation level for Category 359 be changed to 1.5 million square yards equivalent for the first Agreement Year.

This is to confirm that the proposal made on behalf of the Government of India in Your Excellency's note of May 9, 1978 is acceptable to the Government of the United States of America and that this note and Your Excellency's note constitute an agreement amending the Agreement.

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

For the Acting Secretary of State

/S/ William Barraclough