

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/394

1 March 1979

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Amendments to the Bilateral Agreement between
the United States and India

The Textiles Surveillance Body received notifications from the United States of two further amendments to its bilateral agreement with India concluded under Article 4 of the Arrangement.^{1/}

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4^{2/}, has examined the relevant documentation and is circulating the texts of the notifications to participating countries for their information.

^{1/} For original agreement and previous amendments see COM.TEX/SB/315, 340 and 356.

^{2/} See COM.TEX/SB/35, Annex B.

UNITED STATES AND INDIA
AMEND TEXTILE AGREEMENT

The United States and India exchanged notes dated November 3, 1978 and August 30, 1978 respectively, to amend the existing bilateral textile agreement. The texts of the notes follow:

INDIAN NOTE

August 30, 1978

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 man-made specialty fabric covered under category 627 of the Agreement are likely to exceed the consultation level of one million SYE as 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 three 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 your Government 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/ R. K. Jerath
Minister of the Embassy

UNITED STATES NOTE

November 3, 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 August 30, 1978 to the Department of State, proposing on behalf of the Government of India that the consultation level for Category 627 be changed to 3.0 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 August 30, 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 Secretary of State:

/S/ William Barraclough

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THE UNITED STATES AND INDIA
AMEND TEXTILE AGREEMENT

The United States and India exchanged letters dated November 10, and November 13, 1978 respectively, to amend the existing bilateral textile agreement. The texts of the letters follow:

UNITED STATES LETTER

November 10, 1978

Mr. R. K. Jerath
Minister
Embassy of India
2107 Massachusetts Ave. N.W.
Washington, D.C. 20008

Dear Mr. Jerath:

I refer to the agreement between our two Governments relating to trade in cotton, wool and man-made fiber textiles, with annexes, effected by exchange of notes December 30, 1977, as amended (the "Agreement"), and to recent discussions held in Washington, D.C. between representatives of our two Governments. As a result of those discussions, I propose that the Agreement be amended as follows:

1. During each agreement year under the Agreement, exports from India to the United States of America of cotton apparel products of the types classified in categories 336, 338/339/340, 341 and 347/348 shall be subject to specific limits, as adjusted pursuant to paragraphs 2 and 3 below. The specific limits for such products for the first agreement year, and the percentage by which each such limit shall thereafter be increased over the corresponding limit for the prior agreement year are:

Product	Category	Specific Limit, First Agreement Year (dozens)	Annual Growth Rates
Dresses	336	168,190	7%
Knit shirts and blouses; Mens and Boys shirts (Not knit)	338/ 339/ 340	919,315	3%

Blouses	341	2,012,117	3%
Trousers	347/ 348	106,148	5%

2. During any agreement year, total exports of products referred to in subparagraph 1 from India to the United States of America shall not exceed the sum of the limits for such agreement year, pursuant to paragraph 1 above except as it may be adjusted by paragraph 4 below.

3. During any agreement year, and subject to paragraph 1 above, specific limits may be exceeded by not more than the following percentages:

Category	Percentage
336	7%
333/339/340	6%
341	3%
347/348	6%

Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 4 below.

4. During any agreement year, each specific limit and the sum of the specific limits may be exceeded by a maximum of 11% by allocating to such limit an unused portion of the corresponding limit for the previous agreement year (carryover) or a portion of the corresponding limit for the succeeding agreement year (carry forward). Carryover may be utilized as available up to 11 percent of the receiving agreement year's limit; carryover for a specific limit is available to the extent that exports did not exceed the corresponding specific limit applicable to such product during the previous agreement year. Carryover for the sum of the specific limits is available to the extent that total exports did not exceed the sum of the specific limits referred to in paragraph 1 during the previous agreement year. Carry forward for a specific limit may be utilized up to 6 percent of the receiving agreement year's limit and charged against the succeeding agreement year's corresponding limit. The combination of carryover and carry forward for any limit shall not exceed 11% of the receiving agreement year's limit. Carryover shall not be available for application in the first agreement year. The limits referred to in this paragraph are those set out in paragraph 1 above and are without any adjustments pursuant to paragraph 3 above. Carryover and carry forward are adjustments additional to adjustments

made pursuant to paragraph 3 as calculated on the paragraph 1 limits above. A "limit" is a specific limit or the sum of the specific limits, as the context requires. The Government of India will inform the Government of the United States of America of carry forward to be applied; carryover will be applied after agreement between the two Governments on the amounts available.

5. The provisions of this amendment shall supersede any inconsistent provisions of the agreement.

If the foregoing proposal is acceptable to the Government of India, this letter and your letter of confirmation on behalf of the Government of India shall constitute an amendment to the agreement.

Sincerely,

/S/

William Barraclough
Deputy Assistant Secretary
for International Trade Policy

INDIAN LETTER

November 13, 1978

Mr. William Barraclough
Deputy Assistant Secretary
for International Trade Policy
U. S. Department of State
Washington, D.C. 20520

Dear Mr. Barraclough:

I refer to your letter dated November 10, 1978, the text of which is set out below:

See U.S. letter.

On behalf of my Government, I confirm that your letter correctly sets out the understandings reached between our two Governments and that this exchange of letters constitute an amendment to the Agreement.

Yours sincerely,

/S/ (R. K. Jerath)
Minister (Commerce & Supplies)