

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/399

5 March 1979

Special Distribution

Textiles Surveillance Body

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Bilateral Agreement between
the United States and Singapore

The Textiles Surveillance Body has received a notification from the United States of a new bilateral agreement concluded between the United States and Singapore 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 text of the notification to participating countries for their information.

^{1/} See COM.TEX/SB/35, Annex B.

^{2/} For observations of the TSB see COM.TEX/SB/403, paragraph 8.

THE UNITED STATES AND SINGAPORE
SIGN TEXTILE AGREEMENT

The United States and Singapore exchanged notes dated September 21, 1978 and September 22, 1978 to effect a new bilateral textile agreement. The texts of the notes follow:

UNITED STATES NOTE

September 21, 1978

His Excellency
Punch Coomaraswamy
Ambassador of Singapore

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles, with Annexes, done at Geneva on December 20, 1973, and extended by protocol adopted on December 14, 1977 at Geneva (hereinafter referred to as the Arrangement).

I have also the honor to refer to discussions between representatives of the Government of the Republic of Singapore and the Government of the United States of America in Washington from September 26 to September 30, 1977, and in Singapore from January 30 to February 2, 1978, concerning exports to the United States of America of cotton, wool and man-made fiber textiles and textile products manufactured in the Republic of Singapore. As a result of these discussions, and in conformity with Article 4 of the Arrangement, I have the honor to propose, on behalf of the Government of the United States of America, the following Agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between the Republic of Singapore and the United States of America:

1. The term of this Agreement will be the four year period from January 1, 1978 through December 31, 1978.

Each "Agreement Year" shall be a calendar year, with the first Agreement Year commencing on January 1, 1978 and ending on December 31, 1978.

2. Textiles and textile products covered by this Agreement shall be classified in three groups, as follows:

<u>Group</u>	<u>Definition</u>
I	Yarns, fabrics, made-up goods and miscellaneous textile products of cotton and man-made fibers. (Categories 300-320, 360-369, 600-627, 665-669).
II	Apparel of cotton and man-made fibers. (Categories 330-359, 630-659).
III	Wool textiles and textile products. (Categories 400-469).

The determination of whether a textile or textile product is of cotton, wool, or man-made fiber shall be made in accordance with the terms of paragraph 9. The Categories referred to in the above definitions of groups are those summarized in Annex A.

3. (a) The system of Categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this Agreement except as set out in subparagraph 3 (b).

(b) For purposes of this Agreement, and in recognition of the patterns of trade of the Republic of Singapore with the United States of America, the Categories below are merged as indicated and treated as single Categories and Subcategories with Specific

Limits for Categories and Sub-limits for Subcategories as set out in Annex B:

Categories Merged	Designation in Agreement	Subcategories
333, 334, 335	333/334/335	333;334;335
338, 339	338/339	338;339
347, 348	347/348	347;348
445, 446	445/446	None
633, 634, 635	633/634/635	633;634;635
638, 639	638/639	638
643, 644	643/644	643; 643 not knit; 644
647, 648	647/648	647

For purposes of computing charges to Aggregate, Group and Specific Limits and Sub-limits for the Categories and Sub-categories cited above, rates of conversion for individual Categories set out in Annex A shall be applied.

4. Commencing with the first Agreement Year, and, during the subsequent term of this Agreement, the Government of the Republic of Singapore shall limit annual exports from the Republic of Singapore to the United States of America of cotton, wool, and man-made fiber textiles and textile products manufactured in the Republic of Singapore to the Aggregate, Group and Specific Limits and Sub-limits set out in Annex B, as such Limits may be adjusted in accordance with paragraphs 6, 7, and 8. The Limits set out in Annex B do not include any adjustments permitted under paragraphs 6, 7, or 8.

5. Categories not given Specific Limits are subject to consultation levels and to the aggregate and applicable Group Limits. In the event the Government of the Republic of Singapore wishes to permit exports to the United States of America in any category in excess of the applicable consultation level during any Agreement Year, the Government of the Republic of Singapore shall request consultations with the Government of the United States of America on this question and the Government of the United States of America shall enter into such consultations. Until agreement on a different level of exports is reached, the Government of the Republic of Singapore shall limit exports to the United States of America in the category in question to the consultation level. For each Agreement Year, the minimum consultation level for each category not given a Specific Limit shall be 1,000,000 square yards equivalent for Categories in Group I, 700,000 square yards equivalent for Categories in Group II, and 100,000 square yards equivalent for categories in Group III. Annual consultation levels above these stated amounts are specified in Annex C hereto.

6. During any Agreement Year, and within the Aggregate Limit for such Agreement Year, the Group Limits set out in Annex B applicable to such Agreement Year may be exceeded by not more than 15 percent in the case of Group I, by not more than 7 percent in the case of Group II, and by not

more than 1 percent in the case of Group III. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 8.

7. During any Agreement Year, and within the Aggregate and applicable Group Limits for such Agreement Year, as they may be adjusted pursuant to paragraphs 6 and 8, any Specific Limit or Sub-limit set out in Annex B may be exceeded by not more than:

10 percent if included within Group I,

7 Percent if included within Group II,

5 percent if included within Group III.

8. (a) In any Agreement Year, in addition to any adjustment pursuant to paragraphs 6 and 7, exports may exceed by a maximum of 11 percent the Aggregate Limit and any Group or Specific Limit or Sub-limit by allocating to such Limit for that Agreement Year 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") subject to the following conditions:

(i) Carryover may be utilized as available up to 11 percent of the receiving Agreement-Year's applicable Limits, provided, however, that no Carryover shall be available for application during the first Agreement Year;

(ii) The combination of Carryover and Carry Forward shall not exceed 11 percent of the receiving Agreement Year's applicable Limit in any Agreement Year;

(iii) Carry Forward may be utilized up to 6 percent of the receiving Agreement Year's applicable Limit and shall be charged against the immediately following Agreement Year's corresponding Limit;

(iv) Carryover of Shortfall (as defined in Sub-paragraph 8(b)) shall not be applied to any Specific Limits until the Governments of the Republic of Singapore and the United States of America have agreed upon the amounts involved.

(b) For purposes of this Agreement, a Shortfall occurs when exports of textiles or textile products of the Republic of Singapore to the United States of America during an Agreement Year are below the Aggregate Limit and any applicable Group Limit, Specific Limit or Sub-limit. In the Agreement Year following the Shortfall, such exports from the Republic of Singapore to the United States of America may be permitted to exceed the Aggregate, Group, and Specific Limits and Sub-limits, subject to conditions of subparagraph 8(a) by Carryover of Shortfalls in the following manner:

(i) The Carryover shall not exceed the amount of Shortfall in either the Aggregate Limit or any applicable Group or Specific Limit or Sub-limit;

(ii) In the case of Shortfall in a Category or Sub-category subject to a Specific Limit or Sub-limit, the Shortfall shall be used in the Category or Sub-category in which the Shortfall occurred; and

(iii) In the case of Shortfalls not attributable

to Categories or Sub-categories subject to Specific Limits or Sub-limits, the Carryover shall be used in the same Group in which the Shortfall occurred.

(c) The Limits referred to in Sub-paragraphs (a) and (b) of this paragraph are without any adjustment under this paragraph or paragraphs 6 or 7.

(d) The total adjustment under this paragraph shall be in addition to adjustments to the Limits permitted by paragraphs 6 and 7.

(e) The total adjustment permissible under this paragraph for the first Agreement Year shall be 6 percent, consisting solely of Carry Forward.

9. (a) Tops, yarns, piece goods, made-up articles, garments and other textile manufactured products, all being products which derive their chief characteristics from their textile components, of cotton, wool, or man-made fibers, or blends thereof, in which any or all of those fibers represent either the chief value of the fibers or 50 percent or more by weight (or 17 percent or more by weight of wool) of the product, are subject to this Agreement.

(b) For the purposes of this Agreement, textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of any of these fibers. Any products covered by sub-paragraph 9(a) but not in chief value of cotton, wool or man-made fiber shall be classified as:

(i) Cotton textiles if containing 50 percent or

more by weight of cotton, or if the cotton component exceeds by weight the wool and/or the man-made fiber component;

(ii) Wool textiles if not cotton, and wool equals or exceeds 17 percent by weight of all component fibers; and

(iii) Man-made fiber textiles if neither of the foregoing applies.

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. (a) The Government of the United States of America shall promptly supply the Government of the Republic of Singapore with data on monthly imports of cotton, man-made fiber and wool textiles and textile products into the United States of America from the Republic of Singapore.

(b) The Government of the Republic of Singapore shall promptly supply the Government of the United States of America with data on monthly exports of cotton, man-made fiber and wool textiles and textile products from the Republic of Singapore to the United States of America.

(c) Each Government agrees to supply promptly any other available statistical data necessary to the implementation of this Agreement requested by the other Government.

12. The Government of the Republic of Singapore shall use its best efforts to space exports from the Republic of Singapore to the United States of America within each

Category or Sub-category evenly throughout each Agreement Year, taking into consideration normal seasonal factors.

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

14. 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, wool and man-made fiber textiles and textile products from the Republic of Singapore to the United States of America. Each Government reserves its rights under the Arrangement with respect to textiles and textile products not subject to this Agreement.

15. The Government of the Republic of Singapore shall administer its export control system under this Agreement. The Government of the United States of America may assist the Government of the Republic of Singapore in implementing the limitation provisions of this Agreement.

16. In conformity with Article 12, paragraph (3) of the Arrangement, this Agreement shall not apply to exports of handloom fabrics of the cottage industry of Singapore, or handmade cottage industry products made of

such handloom fabrics in Singapore, or to folklore handicraft textile products traditional to Singapore, provided that such products are properly certified under arrangements established between the two Governments pursuant to paragraphs 10 or 18.

17. Exports of cotton, wool and man-made fiber textiles and textile products in shipments individually valued at less than \$250.00 shall not be charged to the limits of this Agreement.

18. A visa and certification system shall be instituted by the Government of the Republic of Singapore and the Government of the United States of America as soon as practicable to facilitate implementation of this Agreement.

19. During the first Agreement Year, each Government shall maintain records on imports or exports, as appropriate, of cotton suits, the component parts of which were charged to two or more of Categories 333, 334, 335, 342, 347, and 348. The Government of the United States of America will inform the Government of Singapore prior to the end of the first Agreement Year whether or not separate male and female cotton suit categories will be established for 1979. If the Government of the United States of America establishes cotton suit categories, the Government of Singapore agrees to consult promptly with the Government of the United States of America for the purpose of establishing levels for these categories.

20. (a) The Government of the United States of America and the Government of the Republic of Singapore agree to

consult, upon the request of either Government, on any question arising in the implementation of this Agreement.

(b) The two Governments agree to undertake a major review of this Agreement within six months after the end of the second Agreement Year.

21. 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 conforms with the understanding of the Government of the Republic of Singapore, this note and Your Excellency's note of confirmation on behalf of the Government of the Republic of Singapore shall constitute an Agreement between our two Governments.

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

For the Secretary of State:

(signed) Julius L. Katz

ANNEX A

Category	Description	Conversion Factor	Unit of Measure
<u>YARN</u>			
-- Cotton			
300	Carded	4.6	Lb.
301	Combed	4.6	Lb.
-- Wool			
400	Tops and yarn	2.0	Lb.
-- Man-made fiber			
600	Textured	3.5	Lb.
601	Cont. cellulosic	5.2	Lb.
602	Cont. noncellulosic	11.6	Lb.
603	Spun cellulosic	3.4	Lb.
604	Spun noncellulosic	4.1	Lb.
605	Other yarns	3.5	Lb.
<u>FABRIC</u>			
-- Cotton			
310	Ginghams	1.0	SYD
311	Velveteens	1.0	SYD
312	Corduroy	1.0	SYD
313	Sheeting	1.0	SYD
314	Broadcloth	1.0	SYD
315	Printcloths	1.0	SYD
316	Shirtings	1.0	SYD
317	Twills and Sateens	1.0	SYD
318	Yarn-dyed	1.0	SYD
319	Duck	1.0	SYD
320	Other fabrics, n.k.	1.0	SYD
-- Wool			
410	Woolens and worsted	1.0	SYD
411	Tapestries and upholstery	1.0	SYD
425	Knit	2.0	Lb.
429	Other Fabrics	1.0	SYD

-- Man-made fiber

610	Cont. cellulosic, n.k.	1.0	SYD
611	Spun cellulosic, n.k.	1.0	SYD
612	Cont. noncellulosic, n.k.	1.0	SYD
613	Spun noncellulosic, n.k.	1.0	SYD
614	Other fabrics, n.k.	1.0	SYD
625	Knit	7.8	Lb.
626	Pile and tufted	1.0	SYD
627	Specialty	7.8	Lb.

APPAREL

-- Cotton

330	Handkerchiefs	1.7	Dz.
331	Gloves	3.5	DPR
332	Hosiery	4.6	DPR
333	Suit-type coats, M and B	36.2	Dz.
334	Other coats, M and B	41.3	Dz.
335	Coats, W, G and I	41.3	Dz.
336	Dresses (inc. uniforms)	45.3	Dz.
337	Playsuits, sunsuits, washesuits, creepers	25.0	Dz.
338	Knit shirts, (inc. T- shirts, other and sweatshirts) M and B	7.2	Dz.
339	Knit shirts and blouses (inc. T-shirts, other & sweatshirts) W, G and I	7.2	Dz.
340	Shirts, n.k.	24.0	Dz.
341	Blouses, n.k.	14.5	Dz.
342	Skirts	17.8	Dz.
345	Sweaters	36.8	Dz.

347	Trousers, slacks, and shorts (outer) M and B	17.8	Dz.
348	Trousers, slacks and shorts (outer) W, G and I	17.8	Dz.
349	Brassieres, etc.	4.8	Dz.
350	Dressing gowns, inc. bathrobes, and beach robes, lounging gowns house coats, and dusters	51.0	Dz.
351	Pajamas and other nightwear	52.0	Dz.
352	Underwear (inc. union suits)	11.0	Dz.
359	Other apparel	4.6	Lb.
-- Wool			
431	Gloves	2.1	DPR
432	Hosiery	2.8	DPR
433	Suit-type coats, M and B	3.0	No.
434	Other coats, M and B	4.5	No.
435	Coats, W, G and I	4.5	No.
436	Dresses	4.1	No.
438	Knit shirts and blouses	15.0	Dz.
440	Shirts and blouses, n.k.	24.0	Dz.
442	Skirts	1.5	No.
443	Suits, M and B	4.5	No.
444	Suits, W, G and I	4.5	No.
445	Sweaters, M and B	14.88	Dz.
446	Sweaters, W, G and I	14.88	Dz.

447	Trousers, slacks, and shorts (outer) M and B	1.5	No.
448	Trousers, slacks and shorts (outer) W, G and I	1.5	No.
459	Other wool apparel	2.0	Lb.
-- Man-made fiber			
630	Handkerchiefs	1.7	Dz.
631	Gloves	3.5	DPR
632	Hosiery	4.6	DPR
633	Suit-type coats, M and B	36.2	Dz.
634	Other coats, M and B	41.3	Dz.
635	Coats, W, G and I	41.3	Dz.
636	Dresses	45.3	Dz.
637	Playsuits, sunsuits, washesuits, etc.	21.3	Dz.
638	Knit shirts, (inc. T- shirts), M and B	18.0	Dz.
639	Knit shirts and blouses (inc. T-shirts), W, G and I	15.0	Dz.
640	Shirts, n.k.	24.0	Dz.
641	Blouses, n.k.	14.5	Dz.
642	Skirts	17.8	Dz.
643	Suits, M and B	4.5	No.
644	Suits, W, G and I	4.5	No.
645	Sweaters, M and B	36.8	Dz.
646	Sweaters W, G and I	36.8	Dz.
647	Trousers, slacks, and shorts (outer), M and B	17.8	Dz.

648	Trousers, slacks and shorts (outer), W, G and I	17.8	Dz.
649	Brassieres, Etc.	4.8	Dz.
650	Dressing gowns, inc. bath and beach robes	51.0	Dz.
651	Pajamas and other nightwear	52.0	Dz.
652	Underwear	16.0	Dz.
659	Other apparel	7.8	Lb.
<u>MADE-UPS AND MISC.</u>			
-- Cotton			
360	Pillowcases	1.1	No.
361	Sheets	6.2	No.
362	Bedspreads and quilts	6.9	No.
363	Terry and other pile towels	0.5	No.
369	Other cotton manufactures	4.6	Lb.
-- Wool			
464	Blankets and auto robes	1.3	Lb.
465	Floor covering	0.1	SFT
469	Other wool manufactures	2.0	Lb.
-- Man-made fiber			
665	Floor coverings	0.1	SFT
666	Other furnishings	7.8	Lb.
669	Other man-made manufactures	7.8	Lb.

ANNEX B
Aggregate, Group, Specific Limits and Sub-Limits

Category	Description	Units	1st Year	2nd Year	3rd Year	4th Year
Aggregate		SYE	231,979,421	246,478,135	261,883,018	278,250,707
Group I -						
Non-apparel		SYE	51,921,618	55,190,554	58,664,207	62,355,376
Group II -						
Apparel		SYE	177,618,401	188,013,705	200,710,277	213,351,712
Group III -						
Wool		SYE	3,439,402	3,473,796	3,508,534	3,543,619
333/4/5	Coats	Doz.	150,000	157,500	165,375	173,644
333	M&B suits	Doz.	8,625	9,056	9,509	9,985
334	M&B Other	Doz.	45,540	47,817	50,208	52,718
335	WG&I	Doz.	118,335	124,252	130,464	136,988
338/9	Knit Shirts & Blouses	Doz.	500,000	525,000	551,250	578,813
338	M&B	Doz.	284,175	298,384	313,303	328,968
339	WG&I	Doz.	332,925	349,571	367,050	385,402
340	Woven shirts	Doz.	350,000	367,500	385,875	405,169
347/8	Trousers	Doz.	500,000	525,000	551,250	578,813
347	M&B	Doz.	430,625	452,156	474,764	498,502
348	WG&I	Doz.	194,375	204,094	214,298	225,013
434	M&B Other Coats Other than CPO	Doz.	30,000	30,300	30,603	30,909
633/4/5	Coats jackets	Doz.	(3,600)	(3,636)	(3,672)	(3,709)
633	M&B suits	Doz.	400,000	420,000	441,000	463,050
634	M&B Other	Doz.	21,271	22,335	23,451	24,624
635	WG&I	Doz.	174,089	182,793	191,933	201,530
638/9	Knit Shirts & Blouses	Doz.	222,400	233,520	245,196	257,456
638	M&B	Doz.	2,720,000	2,801,600	2,885,648	2,972,217
643/4	Suits	Doz.	340,000	350,200	360,706	371,527
643	M&B	Nos.	2,853,240	2,995,902	3,145,697	3,302,982
(643	M&B, (Woven)	Nos.	491,775	516,364	542,182	569,291
644	WG&I	Nos.	(155,555)	(155,555)	(155,555)	(155,555)
647/8	Trousers	Nos.	2,597,612	2,727,492	2,863,866	3,007,060
647	M&B	Doz.	1,350,000	1,417,500	1,488,375	1,562,794
		Doz.	174,158	182,865	192,009	201,609

ANNEX C

Designated Consultation Levels

<u>Category</u>	<u>Description</u>	<u>Units</u>	<u>Level</u>
313	Sheeting.....	Syd.	10,000,000
314	Broadcloth.....	Syd.	5,000,000
317	Twill and sateen.....	Syd.	8,000,000
319	Duck.....	Syd.	3,000,000
320	Woven fabric, n.e.s.....	Syd.	6,000,000
351	Nightwear.....	Doz.	281,295
369	Other cotton manufactures...	Lbs.	3,043,479
445/446	Sweaters.....	Doz.	20,000
600	Textured yarn.....	Lbs.	857,143
604	Non-continuous, non-cell. yarn.....	Lbs.	700,000
625	Knit fabric.....	Lbs.	1,000,000
646	Sweaters, WG&I.....	Doz.	100,000
659	Other apparel.....	Lbs.	1,200,000

SINGAPORE NOTE

SW 8-072

22 September 1978

His Excellency
Cyrus R. Vance
Secretary of State
Department of State
Washington, DC

Excellency:

I have the honour to acknowledge the receipt of Your Excellency's note of 21 September 1978 proposing an Agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between the Republic of Singapore and the United States of America.

I have further the honour to confirm that Your Excellency's proposal is acceptable to my Government and that Your Excellency's note and this note in reply thereto shall constitute an Agreement between our two Governments.

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

(signed) Punch Coomaraswamy
Ambassador