

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/497
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Textiles Surveillance Body

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French

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement Between the United States and Haiti

The Textiles Surveillance Body has received a notification from the United States of a new comprehensive agreement covering textile products, concluded between the United States and Haiti, under Article 4 of the Arrangement.¹

The TSB, pursuant to its procedure regarding bilateral agreements notified under Article 4², has examined the relevant documentation and is circulating the text of the notification to the participating countries.

¹For details of the original agreement and subsequent amendments, see COM.TEX/SB/179, 202, 235, 261, 295, 302, 392 and 437.

²See COM.TEX/SP/35, Annex B.

Letter No. 1

Port-au-Prince, August 17, 1979

No. 240

Excellency:

I have the honor to refer to the Arrangement Regarding International Trade in Textiles (hereinafter referred to as The Arrangement), done at Geneva on December 20, 1973, and extended by protocol opened for signature at Geneva on December 15, 1977.

I have also the honor to refer to discussions between representatives of the Government of the United States of America and the Government of the Republic of Haiti in Port-au-Prince on July 25 and 26, 1979 concerning exports to the United States of cotton, wool, and man-made fiber textiles and textile products manufactured in the Republic of Haiti. As a result of these discussions, and in conformity with Article Four of The Arrangement, I have the honor to

His Excellency

Gerard Dorcély,

Secretary of State for Foreign Affairs,

Port-au-Prince.

propose, the following agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between the Republic of Haiti and the United States of America:

1. The term of the agreement will be the three-year period from May 1, 1979 through April 30, 1982. Each "Agreement Year" shall commence on May 1 and end on April 30.

2. The system of categories and the rates of conversion into square yards equivalent listed in Annex A shall apply in implementing this agreement.

3. Commencing with the first agreement year, and during the subsequent term of this agreement, the Government of the Republic of Haiti shall limit annual exports from the Republic of Haiti to the United States of America of cotton, wool, and man-made fiber textiles and textile products to the specific limits set out in Annex B, as such limits may be adjusted in accordance with paragraphs 4, 5, and 6. The limits set out in Annex B do not include any adjustments permitted under paragraphs 4, 5, and 6.

4. For the second and third agreement years, each specific limit shall be increased by seven percent annually. The limits referred to in this paragraph are without adjustment under any other provision of this agreement.

5. Any specific limit may be exceeded in any agreement year by not more than seven percent of its square yards equivalent total provided that the amount of the increase is

compensated for by an equivalent decrease in one or more specific limits. When requesting use of the provisions of this paragraph, the Government of Haiti will indicate the category or categories to be increased and the category or categories to be decreased by commensurate quantities.

6. (A) In any agreement year, in addition to any adjustment pursuant to paragraph 5, exports may exceed by a maximum of 11 percent any specific 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 specific 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 specific limit in any agreement year; (III) Carry forward may be utilized up to six percent of the receiving agreement year's applicable specific limits and shall be charged against the immediately following agreement year's corresponding limits; no carry-forward shall be available for application during the third agreement year. (IV) Carryover of shortfall (as defined in sub-paragraph 6 B) shall not be applied to any specific limits until the Governments of the United States of America and the Republic of Haiti 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 Haiti to the United States of America during an agreement year are below any applicable specific limit. The agreement year following the shortfall, such exports from the Republic of Haiti to the United States of America may be permitted to exceed the specific limits subject to conditions of sub-paragraph 6 (A), by carryover of shortfalls in the following manner: (I) The carryover shall not exceed the amount of shortfall in any applicable specific limit; (II) The shortfall shall be used in the category in which the shortfall occurred.

(C) The limits referred to in sub-paragraph 6 (A) and (B) are the specific limits as listed in Annex B and as increased by the provisions of paragraph 4.

(D) The total adjustment under this paragraph shall be in addition to adjustments to the specific limits permitted by paragraph 5.

(E) The total adjustment permissible under this paragraph for the first agreement year shall be 6 percent consisting solely of carry forward.

7. The categories listed in Annex C are subject to designated consultation levels as specified therein. In the event the Government of the Republic of Haiti wishes to permit exports to the United States in any category in excess of the

applicable consultation level during any agreement year, the Government of the Republic of Haiti shall request consultation with the Government of the United States of America 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 Haiti shall limit exports to the United States in the category in question to the applicable consultation level.

8. (A) In the event that the Government of the United States of America believes that imports from Haiti classified in any category or categories not covered by specific limits or by designated consultation levels are, due to market disruption or the threat thereof, threatening to impede the orderly development of trade between the two countries, the Government of the United States of America may request consultations with the Government of Haiti with a view to avoiding such market disruption. The Government of the United States of America shall provide the Government of Haiti at the time of the request with the data which in the view of the Government of the United States of America shows 1) the existence of market disruption and 2) the role of exports from Haiti in that disruption.

(B) The Government of Haiti agrees to consult with the Government of the United States of America within 30 days of receipt of the request for consultations. Both Governments agree to make every effort to reach agreement on a mutually satisfactory resolution of the issue within 90 days of the receipt of the request.

(C) During that 90 day period, the Government of Haiti agrees to hold its shipments to the United States in the pertinent category or categories to a level no greater than 35 percent of the amount entered in the last 12 month period for which data are available.

(D) If no mutually satisfactory solution is reached in consultation, the Government of Haiti will limit its export for the succeeding 12 months in the category concerned to the latest 12 month level of exports entered for which data are available, plus 10 percent (plus three percent in the case of wool categories).

9. In accordance with Article 12, paragraph 3, of The Arrangement and subject to the establishment of a mutually agreed upon certification system, Haitian exports of hand-loom fabrics of the cottage industry, or hand-made cottage industry products made of such hand-loom fabrics, or traditional folklore handicraft textile products will not be subject to the provisions of this agreement.

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

11. The Government of the United States of America shall promptly supply the Government of the Republic of Haiti with data on monthly imports of textiles from Haiti and the Government of the Republic of Haiti shall promptly supply the Government of the United States of America with monthly data on exports of textiles to the United States. Each

government agrees to supply promptly any other pertinent and readily available statistical data requested by the other government.

12. (A) Tops, yarns, piece goods, made-up articles, garments, and other textile manufactured products (being products which derive their chief characteristics from their textile components) of cotton, wool, man-made fibers, or blends thereof, in which any or all of these fibers in combination 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 included.

(B) For purposes of this agreement, textile products shall be classified as cotton, wool or man-made fiber textiles if wholly or in chief value of either of these fibers. All other products described in sub-paragraph (B) of this paragraph 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 the wool equals or exceeds 17 percent by weight of all component fibers. (III) Man-made fiber textiles if neither of the foregoing applies.

13. The Government of the United States of America and the Government of the Republic of Haiti agree to consult on any question arising in the implementation of this agreement. If the two governments are unable to reach a mutually satisfactory solution within a reasonable period of time on problems which have been the subject of consultations under this agreement, either government may, after notification to the other government, refer such problems to the Textile Surveillance Body in accordance with Article III of The Arrangement.

14. 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.

15. If the Government of the Republic of Haiti considers that, as a result of a limitation specified in this agreement, Haiti is being placed in an inequitable position vis-a-vis a third country, the Government of the Republic of Haiti 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.

16. 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 Textiles covered by this agreement from Haiti to the United States.

17. The Government of the United States of America may assist the Government of the Republic of Haiti in implementing the limitation provisions of this agreement by controlling imports of the textiles covered by this agreement.

18. The Government of the United States of America and the Government of the Republic of Haiti will establish as soon as possible an effective visa system in order to facilitate implementation of this agreement.

19. 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 Republic of Haiti, this note and your note of confirmation on behalf of the Government of the Republic of Haiti shall constitute an agreement between the Government of the Republic of Haiti and the Government of the United States of America.

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

ANNEX A

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION</u>	<u>UNIT</u>
FACTOR OF MEASURE			
YARN			
--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.
FABRIC			
--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.

ANNEX -A (cont'd)

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION</u>	<u>UNIT</u>
626	PILE AND TUFTED	1.0	SYD
627	SPECIALTY	7.8	LB.
APPAREL			
--COTTON			
330	HANDKERCHIEFS	1.7	DOZ.
331	GLOVES	3.5	DPR
332	HOSIERY	4.6	DPR
333	SUIT-TYPE COATS, M AND B	36.2	DOZ.
334	OTHER COATS, M AND B	41.3	DOZ.
335	COATS, W, G AND I	41.3	DOZ.
336	DRESSES (INC. UNIFORMS)	45.3	DOZ.
337	PLAYSUITS, SUNSUITS, WASHSUITS, CREEPERS	25.0	DOZ.
338	KNIT SHIRTS (INC. T-SHIRTS, OTHER AND SWEATSHIRTS) M AND B	7.2	DOZ.
339	KNIT SHIRTS AND BLOUSES (INC. T-SHIRTS, OTHER AND SWEATSHIRTS) W, G AND I	7.2	DOZ.
340	SHIRTS, N.K.	24.0	DOZ.
341	BLOUSES, N.K.	14.5	DOZ.
342	SKIRTS	17.8	DOZ.
345	SWEATERS	36.8	DOZ.
347	TROUSERS, SLACKS AND SHORTS (OUTER) M AND B	17.8	DOZ.
348	TROUSERS, SLACKS AND SHORTS (OUTER) W, G, AND I	17.8	DOZ.
349	BRASSIERES, ETC.	4.8	DOZ.
350	DRESSING GOWNS, INC. BATHROBES, AND BEACH ROBES LOUNGING GOWNS, HOUSE COATS AND DUSTERS	51.0	DOZ.
351	PAJAMAS AND OTHER NIGHTWEAR	52.0	DOZ.
352	UNDERWEAR (INC. UNION SUITS)	11.0	DOZ.
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	DOZ.
440	SHIRTS AND BLOUSES, N.K.	24.0	DOZ.
442	SKIRTS	1.5	NO.

ANNEX A (cont'd)

<u>CATFGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION</u>	<u>UNIT</u>
443	SUITS, M AND B	4.5	NO.
444	SUITS, W, G AND I	4.5	NO.
445	SWEATERS, M AND B	14.88	DOZ.
446	SWEATERS, W, G AND I	14.88	DOZ.
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	DOZ.
631	GLOVES	3.5	DPR
632	HOSIERY	4.6	DPR
633	SUIT-TYPE COATS, M AND B	36.2	DOZ.
634	OTHER COATS, M AND B	41.3	DOZ.
635	COATS, W, G AND I	41.3	DOZ.
636	DRESSES	45.3	DOZ.
637	PLAYSUITS, SUNSUITS, WASHSUITS, ETC.	21.3	DOZ.
638	KNIT SHIRTS, (INC. T-SHIRTS) M AND B	18.0	DOZ.
639	KNIT SHIRTS AND BLOUSES, W, G AND I (INCL. T-SHIRTS)	15.0	DOZ.
640	SHIRTS, N.K.	24.0	DOZ.
641	BLOUSES, N.K.	14.5	DOZ.
642	SKIRTS	17.8	DOZ.
643	SUITS, M AND B	4.5	NO.
644	SUITS, W, G AND I	4.5	NO.
645	SWEATERS, M AND B	36.8	DOZ.
646	SWEATERS, W, G AND I	36.8	DOZ.
647	TROUSERS, SLACKS, AND SHORTS (OUTER) M AND B	17.8	DOZ.
648	TROUSERS, SLACKS AND SHORTS (OUTER) W, G AND I	17.8	DOZ.
649	BRASSIERES, ETC.	4.8	DOZ.
650	DRESSING GOWNS, INC. BATH AND BEACH ROBES	51.0	DOZ.
651	PAJAMAS AND OTHER NIGHTWEAR	52.0	DOZ.
652	UNDERWEAR	16.0	DOZ.
659	OTHER APPAREL	7.8	LB.
MADE-UPS AND MISC.			
--COTTON			
360	PILLOWCASES	1.1	NO.
361	SHEETS	6.2	NO.

ANNEX A (cont'd)

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>CONVERSION</u>	<u>UNIT</u>
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

SPECIFIC LIMITS

<u>CATEGORY</u>	<u>QUANTITY (IN UNIT OF MEASURE)</u>	<u>(IN SQUARE YARDS EQUIVALENT)</u>
635	130,751 DOZ.	5,400,000
637	328,638 DOZ.	7,000,000
649	992,708 DOZ.	4,765,000
632	1,630,435 D/PRS.	7,500,000
337	85,600 DOZ.	2,140,000

ANNEX C

DESIGNATED CONSULTATION LEVELS

<u>CATEGORY</u>	<u>QUANTITY (IN UNIT OF MEASURE)</u>	<u>(IN SQUARE YARDS EQUIVALENT)</u>
631	685,714 D/PRS.	2,400,000
636	114,790 DOZ.	5,200,000
639	380,000 DOZ.	5,700,000
641	317,241 DOZ.	4,600,000
644	37,037 DOZ.	2,000,000
648	561,798 DOZ.	10,000,000
650	49,020 DOZ.	2,500,000
651	96,154 DOZ.	5,000,000
652	500,000 DOZ.	8,000,000
331	533,429 D/PRS.	1,867,000
340	112,500 DOZ.	2,700,000
347/348	258,427 DOZ.	4,600,000
350	49,020 DOZ.	2,500,000
359	695,652 LBS.	3,200,000

Republic of Haiti
Department of Foreign Affairs

Port-au-Prince, 17 August 1979

Mr. Ambassador,

I have the honour to acknowledge receipt of your note No. 240 of 13 August 1979, which reads as follows:

[See Letter No. 1]

I take pleasure in informing you that the Haitian Government accepts the proposals contained in paragraphs 1 to 19 quoted above and considers that the note from the Embassy of the United States of America and this reply from the Haitian Department of Foreign Affairs constitute an agreement between the two Governments in this regard.

I avail myself of this opportunity to renew to you, Mr. Ambassador, the assurances of my high consideration.

(Signed) Gerard Dorcely
Secretary of State

His Excellency
William Jones,
Ambassador of the United States
of America,
Port-au-Prince,
Haiti.