

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/818
7 January 1983

Special Distribution

Textiles Surveillance Body

Original: English

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4:4

Bilateral Agreement between the United States and Hong Kong

The Textiles Surveillance Body has received from the United States a notification of a new bilateral agreement with Hong Kong, concluded under Article 4 of the MFA, valid for the period 1 January 1982 to 31 December 1987.^{1/}

The TSB, pursuant to its procedures regarding bilateral agreements notified under Article 4^{2/}, has examined the relevant documentation and is forwarding^{3/} the text of the notification to participating countries for their information.

^{1/} The previous agreement with Hong Kong and subsequent amendments are contained in COM.TEX/SB/321, 393, 413, 438, 488, 563, 663, 700 and 754.

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

^{3/} The TSB's observations on this agreement are contained in COM.TEX/SB/824, paragraphs 5 to 9.

UNITED STATES NOTE

June 23, 1982

The Honorable
William Dorward, O.B.E., J.P.
Director of Trade Industry
and Customs
Hong Kong

Sir:

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, as extended by the Protocol adopted on December 22, 1981.

I also refer to discussions between representatives of the Government of Hong Kong and the Government of the United States of America in Washington from February 8 to February 12, 1982, and in Hong Kong from March 11 to March 21, 1982, concerning exports of cotton, wool and man-made fiber textiles and textile products manufactured in Hong Kong which are exported to the United States. As a result of these discussions, I propose on behalf of the Government of the United States of America, under Article 4-of, and in conformity with, the Arrangement, the following Agreement relating to trade in cotton, wool and man-made fiber textiles and textile products between Hong Kong and the United States.

1. (a) The term of the Agreement shall be from January 1, 1982 through December 31, 1987, except as provided in paragraph 16. The duration has been agreed in recognition by the Government of the United States of America of the importance to Hong Kong of stability in the textile trade and the need to ensure that stability and certainty throughout the 6-year life of the bilateral agreement.

(b) This Agreement replaces and supersedes the Agreement dated August 8, 1977, as amended, with respect to the agreement year commencing on January 1, 1982 and ending December 31, 1982.

2. An "agreement year" shall be a calendar year, with the first agreement year commencing on January 1, 1982 and ending on December 31, 1982.

3. The Categories of textiles and textile products covered by the Agreement are as set out and described in Annex B. 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 8.

4. During the term of the Agreement, the Government of Hong Kong shall limit annual exports from Hong Kong of cotton, wool, and man-made fiber textiles and textile products of Hong Kong origin to the United States of America, to the Specified Limits and Sub-Limits set forth in Annex A hereto, as such limits may be adjusted in accordance with paragraphs 5 and 6. The limits set out in Annex A are without such adjustments. All textiles and textile products in Categories not subject to Specified Limits may be exported from Hong Kong to the United States of America only in accordance with paragraph 7. Shipments valued at U.S. 250 dollars or less which are exported from Hong Kong to the United States of America shall not be subject to the limits in Annex A or the procedures of paragraph 7.

5. During any agreement year, the limits of the Categories and Sub-categories set out in Annex A, or pursuant to an amendment to Annex A of this Agreement, may be exceeded by not more than the percentages set out in Annex C, provided that a corresponding reduction as calculated in square yards equivalent on the basis of the conversion factors set out in Annex 3 and, in the case of merged Categories, in paragraph 9, is made in one or more Specified Limits set out in Annex A. As regards merged Category 633/634/635, the conversion factor of the affected sub-limit or sub-limits will apply. Adjustments made pursuant to this paragraph are in addition to those pursuant to paragraph 6.

6. (a) The extent to which any Specified Limit or Sub-limit set out in Annex A may, after consultation between the Government of Hong Kong and the Government of the United States of America, be exceeded in either year of any two subsequent agreement years by carry forward and/or carryover, is 10 percent, of which carry forward shall not represent more than 5 percent.

(b) Following consultations pursuant to paragraph 6(a) above, between the Government of Hong Kong and the Government of the United States of America in Hong Kong from March 11 to March 21, 1982, it was agreed that in respect of Category 648 Hong Kong will, notwithstanding the carry forward percentage of 5 percent specified in paragraph 6(a) above, be accorded 7.15 percent carry forward in each agreement year for the life of the

Agreement. Both governments agree to consult, in the 1986 agreement year, in relation to any problem that may arise during the 1987 agreement year from the continuous use of this provision in respect of Category 648.

7. In view of the well established and effective Hong Kong system of export authorization and licensing, and the desire of both governments to eliminate real risks of market disruption, the following procedures shall apply to each Category not subject to a Specified Limit:

(a) The Government of Hong Kong shall provide reports on export authorizations (EAs) issued for exports to the United States of America of such Categories as frequently and in such detail as may be requested.

(b) The Government of the United States of America may request consultations with a view to agreement on an appropriate level of restraint for any Category not given a Specified Limit for any agreement year, whenever, in the view of the Government of the United States of America, conditions in its market are such that a limitation on further trade in any such Category is necessary in order to eliminate a real risk of market disruption.

(c) The request for such consultations shall be supported as soon as possible, and in any case within 21 days of the date of the request, by a statement of market conditions in the United States of America which in the opinion of the Government of the United States of America make necessary the request for consultations. The statement shall include data similar to that contemplated in paragraphs I and II of Annex A of the Arrangement.

(d) Upon receipt of a request for such consultations, the Government of Hong Kong, as requested by the Government of the United States of America, shall cease or otherwise limit further issuance of EAs for a period of seven (7) U.S. working days. The Government of the United States of America may request Hong Kong to extend the period of seven (7) U.S. working days mentioned above and may also request Hong Kong to limit the issuance of EAs to a level different from that specified in paragraph 7(e) (I) and (II) below, whichever is applicable. The Government of Hong Kong shall consider any such request sympathetically and shall respond promptly. Unless agreed otherwise, the Government of Hong Kong shall have the right, following the expiry of the period of seven (7) U.S. working days mentioned above, to resume the issuance of EAs up to the level specified in paragraph 7(e) (I) or (II) below, whichever is applicable. EAs thus issued, as well as EAs issued prior to receipt of the request for consultations, may be honored by the issuance of export licences by the Government of Hong Kong.

The two governments, unless otherwise agreed, shall consult as soon as possible within 30 days of the request for such consultations and shall make their best efforts to complete such consultations within 30 days of the commencement.

(e) (I) In the event that consultations do not result in agreement, the Government of the United States of America shall have the right to request the Government of Hong Kong to limit exports of the relevant products during the agreement year in which the request for consultations is made to a level not less than the highest of:

(a) The level of the trade in the relevant product or category for the immediate preceding year plus either 15 percent of that level (in the case of cotton and man-made fiber products) or 6 percent of that level (in the case of wool products),

(b) The average of the level of trade in the relevant product or category for all previous years since January 1, 1981, plus either 15 percent of that level (in the case of cotton and man-made fiber products), or 6 percent of that level (in the case of wool products), or

(c) The limit requested by the Government of the United States of America for the cessation of issuance of EAs in accordance with paragraph 7(d) hereof.

(II) Except as provided for in paragraph 7(a)(IV) below, in respect of any product or category where a limit has been established for a single agreement year and where, in the immediately subsequent agreement year the Government of the United States of America makes another request for consultations under paragraph 7(b) of this Agreement, and, in the event that such consultations do not result in agreement, the Government of the United States of America shall have the right to request the Government of Hong Kong to limit exports of the relevant products during the agreement year in which the request for consultations is made, to a level not less than the higher of:

(a) The limit established for the immediately preceding year plus either 8 percent of that limit (in the case of cotton and man-made fiber products) or 3 percent of that limit (in the case of wool products).

(b) The limit requested by the Government of the United States of America for the cessation of issuance of EAs in accordance with paragraph 7(d) hereof.

(III) Where the Government of the United States of America makes a request under paragraph 7(e) (I) or (II) hereof, the Government of Hong Kong agrees that it will honor such a request.

(IV) In respect of any product or category for which a limit is established in any one agreement year, either government may, prior to the start of the immediately following agreement year, elect to convert that limit into a Specified Limit effective as such, from January 1 of the immediately following agreement year. Where such a conversion is made, the Specified Limit so created shall, from the date of effectiveness, be accorded growth at 2 percent per annum. The Specified Limit so created shall, from the year of effectiveness, be accorded flexibility at 7 percent pursuant to paragraph 5 of the Agreement, and in subsequent years the flexibility provisions as set out in paragraph 6 of the Agreement shall also apply.

(V) Should two requests in respect of the same product or category be made under paragraph 7(b) hereof during the term of this Agreement but in different agreement years, not being consecutive years, the provisions of paragraph 7(e) (I) shall apply to the second of the two requests.

(VI) The two governments agree that the provisions of paragraph 7 hereof shall not derogate from the rights of the two governments under paragraph 17 of this Agreement.

(VII) For the purpose of paragraph 7 hereof, the phrase "level of trade" shall mean the level of trade established by consultations to be held within the first six months of each agreement year, or, where such consultations have not been completed, the level of trade by date of export.

(f) In the implementation of this provision, the Government of Hong Kong shall advise the Government of the United States of America, immediately upon receipt of any unusual concentration of applications for EAs in a particular category.

(g) The two governments shall consult as early as possible, with regard to problems that may arise if paragraph 7 hereof is invoked near the end of an agreement year, to consider the possibilities of avoiding undue hardship to the trade.

8. (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, man-made fibers, or blends thereof, in which any or all of those 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 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 product covered by subparagraph (a) above but not in chief value of cotton or 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 the wool equals or exceeds 17 percent by weight of all component fibers; and

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

9. (a) The system of Categories and the rates of conversion into square yards equivalent listed in Annex 3 hereto shall apply in implementing this Agreement, except as provided for in paragraph 9 hereof.

(b) For the purposes of this Agreement and with reference to the particular circumstances of Hong Kong's trade patterns with the United States of America, the Categories below are merged as indicated and treated as single Categories, with limits for Categories and Sub-Categories as set out in Annex A.

<u>Categories Merged</u>	<u>Designation in Agreement</u>
1) 333 and 334	333/334
2) 338 and 339	338/339
3) 347 and 348	347/348
4) 445 and 446	445/446
5) 447 and 448	447/448
6) 633, 634 and 635	633/634/635
7) 638 and 639	638/639
8) 645 and 646	645/646

For the purposes of paragraph 5, the conversion factors for individual Categories set out in Annex 3 shall be applied, except that for Categories 333 and 334 the conversion factor shall be 39.5 square yards equivalent per dozen, for Categories 633 and 634 the conversion factor shall be 40.6 square yards equivalent per dozen, and for Categories 638 and 639 the conversion factor shall be 15.5 square yards equivalent per dozen.

(c) Merged Category 338/339 is divided into two Categories, "cotton tank tops, knit (338/339 - tank tops)" and "cotton shirts and blouses other than tank tops, knit (338/339 - other)"

(d) The Government of the United States of America reserves the right to consult with the Government of Hong Kong, under the provisions of paragraph 13, should the trade patterns referred to above change significantly.

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. The two governments recognize that the successful implementation of this Agreement depends in large part on alignment of the classification practices of both governments. The two governments shall monitor classification procedures and shall consult on actual or potential classification differences.

12. A visa system, in the form attached as Annex D, shall apply to facilitate implementation of this Agreement.

13. (a) The two governments recognize that the successful implementation of this Agreement depends in large part upon mutual cooperation on statistical questions. The Government of the United States of America shall promptly supply the Government of Hong Kong with data on monthly imports of cotton, man-made fiber and wool textile products from Hong Kong. The Government of Hong Kong shall promptly supply the Government of the United States of America with pertinent data on anticipated exports in Categories not subject to Specified Limits and data on monthly exports of cotton, man-made fiber and wool products to the United States of America.

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

14. The Government of Hong Kong shall use its best efforts to space exports from Hong Kong to the United States of America within each Category or Sub-Category (or combination of Categories) evenly throughout each agreement year, taking into consideration normal seasonal factors.

15. If, having regard to the provisions of the Arrangement, the Government of Hong Kong considers that Hong Kong is being placed in an inequitable position vis-a-vis a third country, the Government of Hong Kong may request consultations with the Government of the United States of America with a view to taking appropriate remedial action. The Government of the United States of America shall consult with the Government of Hong Kong in the event of such a request.

16. This Agreement may be terminated either by mutual consent of the two governments at any time, or by either government, effective at the end of an agreement year, upon written notice to the other government to be given at least 180 days prior to the end of such agreement year.

17. Each government reserves its rights under the Arrangement with respect to textiles and textile products not subject to this Agreement. For textiles and textile products covered by this Agreement, it is agreed that either of the parties may have recourse to any and all of the provisions of the Arrangement, save that the Government of the United States of America waives its rights under Article 3 of the Arrangement with respect to products covered by this Agreement as long as this Agreement remains in effect.

18. The Government of Hong Kong and the Government of the United States of America agree to consult, at the request of either government, on any question arising in the application of this Agreement.

If the foregoing proposal is acceptable to the Government of Hong Kong, this Note and your Note of acceptance on behalf of the Government of Hong Kong shall constitute an Agreement between the Government of the United States of America and the Government of Hong Kong.

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

A handwritten signature in cursive script, appearing to read "Lester Lee". The signature is written in dark ink and is positioned in the lower right quadrant of the page.

Annex A

Category or Sub-Category Number	Unit of Measure	First Year		Second Year		Third Year		Fourth Year		Fifth Year		Sixth Year	
		Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units
Twills and Satens (317)	syd.	53,573,384	54,376,985	55,192,640	56,020,530	56,860,838	57,713,751						
Gloves (331)	dpr.	3,426,355	3,443,487	3,460,704	3,478,008	3,495,398	3,512,875						
Coats, H and B (333/334)	doz.	208,473	211,600	214,774	217,996	221,266	224,585						
Coats, W, G and I (335)	doz.	280,977	282,382	283,794	285,213	286,639	288,072						
Tank tops (338/9 - tank tops)	doz.	1,866,923	1,876,258	1,885,639	1,895,067	1,904,542	1,914,065						
Shirts and blouses other than tank tops, knit (338/9 - other)	doz.	2,517,039	2,529,624	2,542,272	2,554,983	2,567,758	2,580,597						
Shirts, not knit (340)	doz.	2,410,331	2,422,383	2,434,495	2,446,667	2,458,900	2,471,195						
Blouses, not knit (341)	doz.	2,441,399	2,453,606	2,465,874	2,478,203	2,490,594	2,503,047						
Shirts (342)	doz.	388,963	394,797	400,719	406,730	412,831	419,023						
Sweaters (345)	doz.	305,582	310,166	314,818	319,540	324,333	329,198						
Trousers, slacks, shorts (outer) (347/348)	doz.	5,761,399	5,790,206	5,819,157	5,848,253	5,877,494	5,906,881						
A and B ((347))	doz.	(2,835,541)	(2,849,719)	(2,863,968)	(2,878,288)	(2,892,697)	(2,907,142)						
W, G and I ((348))	doz.	(4,366,207)	(4,388,038)	(4,409,978)	(4,432,028)	(4,454,188)	(4,476,459)						
Dressing gowns (350)	doz.	101,080	102,596	104,135	105,697	107,282	108,891						
Pajamas and others nightwear (351)	doz.	1,030,467	1,035,619	1,040,797	1,046,001	1,051,231	1,056,487						

Category or Sub- Category Number	Unit of Measure	First Year		Second Year		Third Year		Fourth Year		Fifth Year		Sixth Year	
		Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units	Units
Coats, W, G and I	doz.	57,762	58,051	58,341	58,633	58,926	59,221						
Dresses	doz.	86,302	86,734	87,168	87,604	88,042	88,482						
Knit shirts and blouses	doz.	750,430	754,182	757,953	761,743	765,552	769,380						
Suits, M and B	doz.	8,543	8,586	8,629	8,672	8,715	8,759						
Sweaters	doz.	1,171,550	1,177,408	1,183,295	1,189,211	1,195,157	1,201,133						
Trousers, slacks and shorts	doz.	51,836	52,095	52,355	52,617	52,880	53,144						
<u>Man-made Fiber</u>													
Coats	doz.	937,815	951,882	966,160	980,652	995,362	1,010,292						
M and B	doz.	(343,429)	(348,580)	(353,809)	(359,116)	(364,503)	(369,971)						
W, G and I	doz.	(735,058)	(746,084)	(757,275)	(768,634)	(780,164)	(791,866)						
Knit shirts and blouses	doz.	4,183,958	4,204,878	4,225,902	4,247,032	4,268,267	4,289,608						
Blouses, not knit	doz.	722,971	726,586	730,219	733,870	737,539	741,227						
Sweaters	doz.	1,208,010	1,214,050	1,220,120	1,226,221	1,232,352	1,238,514						
Trousers, slacks and shorts (outer)	doz.	969,079	973,924	978,794	983,688	988,606	993,549						
W, G and I													

Annex 3

<u>Category</u>	<u>Description</u>	<u>Conversion Factor</u>	<u>Unit of Measure</u>
<u>Yarn</u>			
<u>Cotton</u>			
300	Carded	4.6	LB.
301	Combed	4.6	LB.
<u>Wool</u>			
400	Tops and Yarn	2.0	LB.
<u>Man-made Fiber</u>			
600	Textured	3.5	LB.
601	Continuous Cellulosic	5.2	LB.
602	Continuous Non-cellulosic	11.6	LB.
603	Spun Cellulosic	3.4	LB.
604	Spun Non-cellulosic	4.1	LB.
605	Other Yarns	3.5	LB.
<u>Fabric</u>			
<u>Cotton</u>			
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, not knit	1.0	SYD.
<u>Wool</u>			
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.
<u>Man-made Fiber</u>			
610	Continuous Cellulosic, not knit	1.0	SYD.
611	Spun cellulosic, not knit	1.0	SYD.
612	Continuous Non-cellulosic, not knit	1.0	SYD.
613	Spun Non-cellulosic, not knit	1.0	SYD.
614	Other fabrics, not knit	1.0	SYD.
625	Knit	7.8	LB.
626	File and tufted	1.0	SYD.
627	Specialty	7.8	LB.

<u>Category</u>	<u>Description</u>	<u>Conversion Factor</u>	<u>Unit of Measure</u>
	<u>Apparel</u>		
	<u>Cotton</u>		
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 (including uniforms)	45.3	DZ.
337	Playsuits, Sunsuits, Washsuits, Creepers, Rompers, etc.	25.0	DZ.
338	Knit Shirts (including T-shirts, other and Sweatshirts) M and B	7.2	DZ.
339	Knit Shirts and Blouses (including T-shirts, other and Sweatshirts) W, G and I	7.2	DZ.
340	Shirts, not knit	24.0	DZ.
341	Blouses, not knit	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; Including Bath- robes, and Beach Robes, Lounging gowns, House Coats, and Dusters	51.0	DZ.
351	Pajamas and Other Nightwear	52.0	DZ.
352	Underwear (including Union Suits)	11.0	DZ.
353	Down and Feather filled Coats, Jackets, Vests M and B	41.3	DZ.
354	Down and Feather filled Coats, Jackets, Vests W, G and I	41.3	DZ.
359	Other Apparel	4.6	L3.
	<u>Wool</u>		
431	Gloves	2.1	DPR.
432	Hosiery	2.8	DPR.
433	Suit-type Coats, M and B	36.0	DZ.
434	Other Coats, M and B	54.0	DZ.
435	Coats, W, G and I	54.0	DZ.
436	Dresses	49.2	DZ.
438	Knit Shirts and Blouses	15.0	DZ.
440	Shirts and Blouses, not knit	24.0	DZ.
442	Skirts	18.0	DZ.
443	Suits, M and B	54.0	DZ.
444	Suits, W, G and I	54.0	DZ.
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	18.0	DZ.
448	Trousers, Slacks, and Shorts (outer), W, G and I	18.0	DZ.
459	Other Wool Apparel	2.0	L3.

<u>Category</u>	<u>Description</u>	<u>Conversion Factor</u>	<u>Unit of Measure</u>
<u>Man-made Fiber</u>			
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, Suitsuits, Washsuits, etc.	21.3	DZ.
638	Knit Shirts (including T-shirts), M and B	18.0	DZ.
639	Knit Shirts and Blouses (in- cluding T-shirts), W, G and I	15.0	DZ.
640	Shirts, not knit	24.0	DZ.
641	Blouses, not knit	14.5	DZ.
642	Skirts	17.8	DZ.
643	Suits, M and B	54.0	DZ.
644	Suits, W, G and I	54.0	DZ.
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, including Bathrobes and Beach Robes	51.0	DZ.
651	Pajamas and other Nightwear	52.0	DZ.
652	Underwear	16.0	DZ.
653	Down and Feather filled Coats, Jackets, Vests M and B	41.3	DZ.
654	Down and Feather filled Coats, Jackets, Vests W, G and I	41.3	DZ.
659	Other Apparel	7.8	LB.
<u>Made-ups and Miscellaneous</u>			
<u>Cotton</u>			
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.
<u>Wool</u>			
464	Blankets and Auto Robes	1.3	LB.
465	Floor Covering	0.1	SFT.
469	Other Wool Manufactures	2.0	LB.
<u>Man-made Fiber</u>			
665	Floor Coverings	0.1	SFT.
666	Other Furnishings	7.8	LB.
669	Other Man-made Fiber Manufactures excluding Luggage, Handbags and Flat Goods, wholly or in part of Braid; other Man-made Fiber Handbags; other Man-made Fiber Luggage; and other Flat Goods of Materials other than Cotton	7.8	LB.

Annex C

<u>Category or Sub-category Number</u>	<u>Percentage</u>
317	6
331	5
333/4	6
335	5
338/9 - tank tops	5
338/9 - other	5
340	5
341	5
342	6
345	6
347/8	5
(347)	5
(348)	5
350	6
351	5
435	5
436	5
438	5
443	5
445/6	5
447/8	5
633/4/5	6
(633/4)	6
(635)	6
638/9	5
641	5
643	5

Annex D

1. Each shipment of textile apparel products under the terms of the Agreement produced or manufactured in Hong Kong and exported to the United States of America shall be accompanied by an export visa issued by the Government of Hong Kong. The export visa shall be a signed copy of a Hong Kong export licence with a stamp on the front, reading "Approved for export to the USA," signed by an authorized official of the Government of Hong Kong. The Category or Categories and quantities in the shipment shall be correctly indicated on the visa. Visas covering shipments of products classified in merged Categories with Sub-categories shall cite the quantity or quantities and Sub-category or Sub-categories in which the goods are classified. Visas covering shipments for products classified in Categories which have been merged without Sub-categories shall cite all of the categories comprising the merged Category. Where a shipment is valued at 250 dollars (U.S. dollars) or less, the visas need not indicate the Category or Categories but shall indicate 'at 250 dollars or less'.

2. The names and facsimile signatures of the officials authorized to issue and sign textile export visas shall be supplied by the Government of Hong Kong. The Government of Hong Kong shall notify the Government of the United States of America of any changes of authorized officials and shall provide facsimiles of newly authorized officials' signatures. A limited number of officials shall be authorized to issue visas.

3. The Government of the United States of America shall publish in the Federal Register the visa system as described herein, upon receipt of a sample copy of the visa and authorized signatures.

4. Textile apparel products produced or manufactured in Hong Kong included under the terms of the Agreement and exported to the United States of America which are not accompanied by a valid and correct visa in accordance with this Annex shall be denied entry by the Government of the United States of America. However, where the quantity indicated on the visa is above that of the shipment, entry may be permitted.

5. The Government of the United States of America and the Government of Hong Kong shall take all appropriate steps to ensure compliance with this visa arrangement and the Agreement.

HONG KONG NOTE

23 June 1982

Sir,

I refer to your note No. 1 of today's date proposing an Agreement between the Governments of the United States of America and Hong Kong under Article 4 of, and in conformity with, the Arrangement Regarding International Trade in Textiles, and confirm that it is acceptable to my Government.

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

A handwritten signature in black ink, appearing to read 'W. Derward', with a horizontal line underneath the name.

(W. Derward)

Mr. Burton Levin,
Consul-General,
American Consulate-General,
26 Garden Road,
Hong Kong.