

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

---

RESTRICTED

COT/3

14 October 1963

Special Distribution

Original: English

LONG-TERM ARRANGEMENT REGARDING TRADE IN  
COTTON TEXTILES

Bilateral Agreement between Spain and the United States

Attached are letters and annexes comprising the text of the Agreement concluded recently between the Government of Spain and the Government of the United States concerning Spanish cotton textile exports to the United States.

These documents have been transmitted to the secretariat by both Governments concerned in accordance with Article 4 of the Long-Term Arrangement Regarding Trade in Cotton Textiles.

Letter No.1

DEPARTMENT OF STATE  
WASHINGTON

July 16, 1963

Dear Mr. Santamaria:

With reference to the recent discussions held in Washington between representatives of the Governments of Spain and the United States concerning exports of cotton textiles to the United States from Spain under the Long-Term Arrangement Regarding International Trade in Cotton Textiles, done at Geneva on February 9, 1962, it is the understanding of the Government of the United States that the following agreements were reached:

1. With regard to the eight categories of cotton textiles on which the United States requested restraint from the Government of Spain since October 1, 1962, the Government of Spain agrees to hold its exports of these categories for the twelve-month period October 1, 1962 to September 30, 1963, inclusive, to the levels indicated in the Annex to this letter.
2. In order to facilitate the administration of the levels listed in the Annex to this agreement, the Government of Spain agrees that the United States Government shall put into effect, if it has not already done so, import controls on the listed items. Such controls shall be effective on such cotton textiles exported from Spain to the United States prior to October 1, 1963.
3. The United States Government reserves the right to invoke Article 3 of the Long-Term Arrangement on all cotton textile categories except those listed in the Annex to this agreement. In such an event, the level of restraint applicable under Article 3 shall be pro rated for the period remaining until September 30, 1963.
4. In the event the aggregate level of exports from Spain to the United States during the year October 1, 1962 through September 30, 1963 exceeds the aggregate level of such exports for the twelve months ending June 30, 1961, the Governments agree that any excess will be deducted from the levels effective for the year beginning October 1, 1963 and will consult with a view to determining the appropriate categories to be reduced.

Mr. Miguel A. Santamaria,  
Subdirector General de Expansion Commercial,  
Ministerio de Comercio,  
Madrid, Spain.

5. In those cases where exports from Spain in the categories listed in the Annex to this agreement have already exceeded the ceilings listed in the Annex, the Government of Spain agrees to suspend exports immediately of such categories until October 1, 1963.

If these understandings are acceptable to your Government, this letter and your response of acceptance shall form a bilateral agreement between our Governments under Article 4 of the Long-Term Arrangement.

I wish to take this opportunity to thank you for your kind cooperation during our discussions.

Sincerely yours,

/s/ Stanley Nehmer

Stanley Nehmer  
Deputy Director  
Office of International Resources

Enclosure:

Annex.

ANNEX

Ceilings on Exports of Cotton Textiles from Spain to  
The United States, October 1, 1962 to September 30, 1963

<u>Category No.</u>	<u>Description</u>	<u>Unit</u>	<u>Ceiling</u>
1	Carded cotton yarn, singles	lb.	1,299,138
2	Carded cotton yarn, plied	lb.	250,000
9	Carded sheeting	syd.	8,925,000
15	Poplin & broadcloth, carded	syd.	104,907
18-19	Print cloth type shirting, 80x80 and other than 80x80, carded	syd.	4,257,000
22	Twill & sateen, carded	syd.	2,049,000
49	All other coats	doz.	6,000
58	Drawers, shorts & briefs (except mens' & boys' briefs) knit or crocheted	dcz.	85,000

Letter No.2

United States Department of State  
Washington

July 16, 1963

Dear Mr. Santamaria:

With reference to the recent discussions held in Washington between representatives of the Governments of Spain and the United States concerning exports of cotton textiles to the United States from Spain under the Long-Term Arrangement Regarding International Trade in Cotton Textiles, done at Geneva on February 9, 1962, it is the understanding of the Government of the United States that the following agreements were reached:

1. The Government of Spain shall control the export of all cotton textiles to the United States for the twelve-month period beginning October 1, 1963 in accordance with the Annex to this letter. No exports to the United States of any cotton textiles not included in the Annex shall be allowed by the Government of Spain.
2. The Government of Spain shall take such steps as may be necessary to prevent the concentration of exports listed in the Annex at any particular time, taking into consideration seasonal factors. If, in the judgment of the United States Government, there should develop concentration of trade in certain categories or in certain fabrics within certain categories during a particular period of the year, which concentration is not due to seasonal factors, the United States Government may request consultations with the Government of Spain with a view to developing a mutually satisfactory solution to such a problem. The Government of Spain agrees to enter into such consultations with the United States Government upon such a request.
3. During the course of this agreement, the Government of the United States shall not invoke the provisions of Article 3 of the Long-Term Arrangement. All other relevant provisions of the Long-Term Arrangement shall remain effective between the two countries.
4. This agreement shall continue until the expiration of the Long-Term Arrangement, the levels set forth in the Annex to be applicable for twelve-month periods beginning October 1 of each year; provided that either Government may propose revisions in the ceilings listed in the Annex at least ninety days prior to the beginning of a new annual period, and provided further that either Government may terminate this agreement, effective at the beginning of a new annual period, by written notice given at least ninety days prior to the beginning of such new annual period.

Mr. Miguel A. Santamaria,  
Subdirector General de Expansion Commercial,  
Ministerio de Comercio,  
Madrid, Spain.

5. Each Government agrees to supply promptly any available statistical data requested by the other Government. In particular, the United States Government shall promptly supply the Government of Spain with data on monthly imports of cotton textiles from Spain, and the Government of Spain shall promptly supply the United States Government with data on monthly exports of cotton textiles to the United States.

6. The Governments of Spain and the United States agree to follow the classification system for cotton textiles set forth in the Arrangements Regarding International Trade in Cotton Textiles done at Geneva on July 21, 1961.

If these understandings are acceptable to your Government, this letter and your response of acceptance shall form a bilateral agreement between our Governments under Article 4 of the Long-Term Arrangement.

I wish to take this opportunity to thank you and your colleagues for your cooperation during our discussions.

Sincerely yours,

/s/

Stanley Nehmer  
Deputy Director  
Office of International Resources

Enclosure:

Annex.

ANNEX

Ceilings on Exports of Cotton Textiles from Spain to the United States,  
October 1, 1963-September 30, 1964

<u>Category No.</u>	<u>Description</u>	<u>Unit</u>	<u>Ceiling</u>
1	Cotton yarn, carded, singled, not ornamented, etc.	lb.	1,299,188
2	Cotton yarn, plied, carded, not ornamented, etc.	lb.	250,000
5-6*	Ginghams, carded and combed	syd.	1,000,000
9	Sheeting, carded yarn	syd.	8,925,000
15	Poplin and broadcloth, carded yarn	syd.	104,907
18-19	Print cloth type shirting, carded yarn	syd.	4,257,000
20	Shirting, carded yarn	syd.	50,000
21	Shirting, combed yarn	syd.	100,000
22	Twill and sateen, carded yarn	syd.	2,049,000
23	Twill and sateen, combed yarn	syd.	50,000
24-27*	Fabrics	syd.	1,105,219
31	Towels, other than dish towels	pieces	275,000
32	Handkerchiefs	dozens	40,000
36	Bedspreads	pieces	85,000
37	Braided and woven elastics	lb.	5,000
40	Hose and half hose	doz. pairs	80,000
41-43*	T. shirts and knitshirts	dozens	130,000
44	Sweaters and cardigan	dozens	5,000
45	Men's and boys' shirts, dress, not knit or crocheted	dozens	700
46	Men's and boys' shirts, sport, not knit or crocheted	dozens	700
47	Men's and boys' shirts, work, not knit or crocheted	dozens	700
48	Raincoats, 3/4 length or over	dozens	6,000
49	All other coats	dozens	6,000
50	Men's and boys' trousers, slacks and shorts (outer), not knit or crocheted	dozens	2,500
51	Women's and misses' and children's trousers, slacks and shorts (outer), not knit or crocheted	dozens	4,000
52	Blouses, and blouses combined with skirts, trousers or shorts	dozens	5,000
53	Women's, misses', children's and infants' dresses (including nurses' and other uniform dresses), not knit or crocheted	dozens	2,000

<u>Category No.</u>	<u>Description</u>	<u>Unit</u>	<u>Ceiling</u>
56	Men's and boys' undershirts, (not T. shirts)	dozens	45,000
57	Men's and boys' briefs and undershorts	dozens	85,000
58	Drawers, shorts and briefs (except men's and boys' briefs), knit or crocheted	dozens	85,000
60	Nightwear and pyjamas	dozens	10,000
62	Other knitted or crocheted clothing	lb.	100,000
63	Other clothing, not knit or crocheted	lb.	3,000
64	All other cotton textile items	lb.	30,000

\* The Government of Spain will propose to the Government of the United States, prior to October 1, 1963, an appropriate breakdown of the grouped categories marked by an asterisk.

N.B. Any of the foregoing ceilings may be increased by 5 percent so long as the aggregate of all ceilings, expressed in square yard equivalents on the basis of conversion factors provided the Government of Spain by the Government of the United States, does not exceed 31,366,919 square yards.



Letter No. 3

Spanish Embassy  
Washington

July 16, 1963

Dear Mr. Nehmer:

With reference to your two letters of July 16, 1963 setting forth the understandings of the Government of the United States as to the agreements reached during the recent discussions between representatives of our Governments concerning exports of cotton textiles from Spain to the United States, I can assure you, on behalf of my Government, that these understandings are acceptable to my Government.

Sincerely yours,

Miguel Santa Maria  
Sub-Director General de Expansion Commercial  
Ministerio de Comercio, Madrid

Mr. Stanley Nahmer,  
Deputy Director,  
Office of International Resources,  
U.S. Department of State,  
Washington 25, D.C.