

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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LONG-TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE
IN COTTON TEXTILES

Bilateral Arrangement between the United States and
the Republic of China

Addendum

Attached are an exchange of letters amending the bilateral arrangement concluded between the Governments of the Republic of China and the United States concerning cotton textile exports to the United States.

This information has been transmitted to the secretariat by the United States in accordance with Article 4 of the Long-Term Arrangement.

American Embassy
Taipei, Taiwan
Republic of China
February 3, 1964.

Dear Mr. Li:

I refer to your letter of December 4, 1963, proposing that the ceiling for category 50 (trousers, slacks and shorts /outer/, not knit, men's and boys'), presently set at 122,000 dozen for the twelve-month period beginning October 1, 1963, under the provisions of the United States-Chinese bilateral agreement concerning trade in cotton textiles, be raised to 155,182 dozen, and that compensatory adjustment in the amount of the square yard equivalent of the increase of 33,182 dozen be made in category 63 (wearing apparel, not knit, not elsewhere specified).

I am authorized to inform you that the United States Government, after giving careful consideration to the Chinese Government's proposal, would be in principle prepared to agree to the one-time admission of 33,182 dozen men's and boys' trousers and shorts (category 50) in the period October 1, 1963 through September 30, 1964. However, in place of the proposed compensatory adjustment in category 63, my Government wishes to propose that compensation be effected by charging against the agreed levels of category 50, 16,591 dozen in each of the second and third years of the agreement.

Furthermore, at the same time, the United States Government wishes also to present for the consideration of the Government of China the proposal that, within the present agreed level for category 26 (woven fabric, not elsewhere specified, other, carded) for the twelve-month period beginning October 1, 1963, a subceiling of 1,800,000 square yards be imposed on shipments of cotton duck fabric from Taiwan to the United States. This proposal is impelled by pressing difficulties in the domestic market for cotton duck which arise in great part from the increasing proportion of duck in category 26 imports over recent months.

The United States Government would be pleased to receive the agreement of the Government of China to the proposed revisions to the bilateral agreement as outlined in this letter.

Sincerely yours,

(signed)

Walter T. Smith
Counselor of Embassy
For Economic Affairs

Mr. K.T. Li,
Secretary General of the Council for
International Economic Cooperation and Development,
118 Hwaining Street,
Taipei, Taiwan, China.

COUNCIL FOR INTERNATIONAL
ECONOMIC COOPERATION AND DEVELOPMENT
EXECUTIVE YUAN

118, Hwaining Street, Taipei, Taiwan, China

March 18, 1964

Reference No. C2-64-0486

Mr. Walter T. Smith
Economic Counsellor
American Embassy
Taipei, Taiwan

Dear Mr. Smith:

Reference is made to your letter dated February 3, 1964 regarding our proposal for revision of the ceiling for category 50 under the United States-Chinese Cotton Bilateral Agreement concerning trade in cotton textiles.

I wish to inform you that the Chinese Government is willing to accept the counter-proposal made by your Government that the exceeding portion of 33,182 dozen men's and boys' trousers and shorts exported to United States under category 50 during the period October 1, 1963 through September 30, 1964 will be compensated by charging against the agreed levels of category 50, 16,591 dozens, in each of the second and third years of the agreement.

The Government of China also agreed to the United States Government's proposal that, within the present agreed level for category 26 for the twelve month period beginning October 1, 1963, a subceiling of 1,800,000 square yards be imposed on shipments of cotton duck fabric from Taiwan to the United States.

Sincerely yours,

(signed)

K.T. Li
Vice Chairman